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Prefabbers Gear To Help Housing Boom

Housing Companies Coast To Coast Spruce Up Sales Plans For Spring

By HARLEY POTTER

If an inconspicuous but well-established element of Canada's construction scene translates ambitious plans on paper into completions on foundations, more and more house-hungry Canadians will be dwelling in spanking new prefabricated houses.

That's happening right now, with more than a dozen firms across the nation ready to turn out prefabs at a greater rate for individuals and in major housing schemes.

But backed by wide promotion on a national scale, improved design and better building materials and methods, the prefabricated houses seem destined to play a bigger and brighter role in Canada's housing picture.

With dynamic activity in house-building from coast to coast, a growing share for prefabricated housing is a logical conclusion, but the rate of that growth is much more than a natural sequence. Prefab housing holds a few important cards of its own:

(1) They're often comparatively cheaper.

(2) They readily answer construction problems for the week-end builders.

(3) They go up in a hurry.

(4) They represent quick capital turnover for builders.

There are more than four aces to the prefab deck, but first let's swing over to the prairies for a quick look at how one big Canadian prefab housing firm is playing its cards.

Merril D. Muttart, of Edmonton, has launched low-rental, prefab projects that are attracting attention from housing authorities, builders and all levels of government alike. Well established in the building field and in prefabbing, he and his wholly owned and affiliated companies are preparing large-scale national advertising for semi-prefab package unit homes for direct sale anywhere in Canada, to contractors and individuals.

The organization will build some 500 prefabricated housing units a year for Western Canada, plus 1,000 garages and 500 granaries, depending, of course, on yearly harvests.

Calgary, Regina Plans

Muttart interests have 60 prefab houses under construction at Calgary and another 160 planned for the city this year. In Regina, 153 houses will be built in 1953, a further 100 at Edmonton. In their individual dwelling unit projects, the Muttart people are presently taking deposits on houses not yet started, but planned for completion by July. They range in price from $8,600 for a two-bedroom house to $12,400 for the three bedroom, two-story type with attached garage. All are financed under the National Housing Act and require a 20% down payment.

Imagination-catching in Muttart's operations are his low-rental, prefab, quadruplex apartments. In Calgary, where a newly constructed conventional two-bedroom apartment is difficult to obtain for $100 a month, tenants have already started to move into Muttart apartments of just that type at a monthly rental of $46.25. A third bedroom and dining room section off the living room can be obtained for $11.75 more.

Calgary's city council quickly let the private firm do the low-rental housing job after investigation showed rents would be $20 a month more for a similar government-owned scheme. The 160-unit (consisting of 40 buildings each housing four families) Calgary project will cost $1,205,600, or just over $7,500 per unit.

Muttart's Regina project will cost $2,584,000 for 320 units, about $8,100 per unit. Regina rents: $49.60 (two-bedroom); $60 (three-bedroom). Each unit will get separate front and back entrances, a private basement and a second floor. Each basement will have an oil burner, water heater, laundry facilities and a play area for children.

New Prefab Factory

Central Mortgage & Housing direct-loan mortgages are helping to hold rent levels down, but savings also spring from prefabrication. Engineering Buildings (Alberta) Ltd. handles all prefabrication for Muttart projects, right now in a $90,000, 18-employee Calgary plant that can turn out prefab units at a rate of one house every three hours, and in another plant of the same size and capable of the some production at Edmonton.

Engineering Buildings is putting up a $50,000 plant at Regina, for Saskatchewan operations, to be completed early in March.

One big factor Engineering Buildings has found in keeping prefab costs down and quality up is that workmen can do their job year-round, in constant temperature and without weather variables that can both keep men off the outdoor construction job and often act adversely on the finished product. Materials are readily available and power machinery on the spot.

A more obvious advantage of prefabrication is the unit cost reduction resulting from mass production of such items as walls, rafters, window frames, doors, cupboards. That kind of standardization—and cost saving—needn't affect variation in exterior design and/or materials for such bulk projects as planned for Regina and Calgary.

Methods, Materials Improved

Engineering Buildings has carried cost consciousness and quality control well past the factory stage. For finishing gypsum board wall construction they use a system of "mechanical dry wall taping," estimated to cut cost of interior finish by one third and considered by the firm to be one of the biggest forward steps in housebuilding in recent years.

Using special equipment, a trained operator applies three coats of tape and cement to the gypsum board joints, giving a gradual tapering off to the wall and ceiling surfaces and hiding joints from detection either by touch or sight. One of Muttart's affiliated firms holds the Canadian franchise.

First major project tackled by the seven-year-old Engineering Buildings was at Devon, Alberta, where 130 homes worth $780,000 were put up in 1947. Later, the firm built 70 homes at Camp Shilo for the defense department and another 83 at Edmonton.

In the past five years, Engineering Buildings has constructed 3,000 prefabricated homes, 1,500 of them in the Calgary area, including Suffield, and the rest throughout Saskatchewan, B. C. and elsewhere in Alberta. General price range has been between $6,000 and $10,500.

During 1952, a switch was made to full basement construction. Prior to that, the houses had four-foot concrete footing walls as foundations. Floors in these were warmed by diverting air from forced-air heating systems installed in all houses.

Hinterland Expansion Boon

Notable in Engineering Buildings' record of growth in its comparatively short history is that its first major contract had a direct tie to natural resources development. Initial discovery of oil in the Devon area in 1947 and the big boom that followed established an urgent need for housing. Prefabs held the only answer to the kind of speed that was wanted.

In resources development elsewhere in the country, particularly in the hinterland where new communities are springing up almost overnight, prefabbers are finding a healthy market. Houses for executives and others as well as simpler buildings in the outer reaches like bunkhouses and sheds of various kinds have been sold in growing quantities. And there are signs of expansion rather than any tapering off of that business.

While the prefabbers have been expanding here and in other specialized markets, the big drive, and the big sales field, is on the general lower-price housing market. This is the second postwar attack on the general market. Shortly after the war, there were lavish schemes for low-cost prefabs to fill in housing gaps left by the war.

But things didn't work out quite so well as indications suggested they would. Many were used in veterans rental housing projects, but weren't all satisfactory. The Canadian prefab industry at that time wasn't geared for the bright market that suddenly opened up.

Wide Prefab Development

But important changes have been taking place in Canadian prefabricating and Canadians are beginning to realize it in increasing numbers.

Perhaps one of the most significant developments is a focusing of attention on business methods that have helped make prefabs a roaring success in parts of the U. S. (About one third of all houses built in Indiana are claimed by prefabbers: the U. S. industry sell some 55,000-60,000 houses a year at current level.)

That is, there is increasing interest in selling prefabs to builders, to erect as "retailers." It is safe to say that any widespread growth in prefabbing in Canada will be based on this method.

To back up their ambitious new look at the Canadian market, the Canadian industry can now produce prefabs of high quality in fair quantity. Many of the prefabs come fully up to National Housing Act standards or do better.

Architects have been brought into the picture. For example, one Ontario prefabber (Halliday Co.) has models designed by John B. Parkin Associates, prize-winning architects and engineers with a nation-wide reputation.

Another prefabber has recently won a contract for 25 houses under a government rental scheme. His houses were judged not as prefabs, but as houses in competition and comparison with the conventionally built product. He was low bidder and met all standards required by CMHC.

At least three prefabricators now offer brick veneer houses—a prefabbed unit with brick siding laid by bricklayers after the prefabbed part is up. Already there are signs the Canadian public likes the models and the price.

One big selling point that will be stressed more and more, lies in the fact that prefabs turn over builders' capital so much more quickly. For some, that selling point comes ahead of lower material and labor costs since in some areas of the country the difference in cost between the conventionally built house and the prefab may be little or non-existent.

Fourfold Income Boost?

But, it's claimed, you can put up four times as many prefabs, or more, with the same labor force and same working capital as with conventional houses. That includes finishing by subcontractors. It takes four to six weeks to finish on-site work with most prefabs.

As a result, builders can make four to five times as much money in one season with constant capital and work force, according to U. S. studies. A Canadian prefabber, who plans to push that point this year, says a builder has to buy 50 or more prefabs a year to gain the advantage.

Mortgages are not a serious problem if the builder or contractor has a good reputation, prefabbers claim. A good many prefabs meet NHA lending standards with no difficulties;; because they are precision built, they may be better than many conventionally built houses, if put up right.

The question of whether they are treated right by the builder is important. U. S. prefabbers are strict with builders who buy their houses, and Canadian prefabbers will have to devise some system of checking too. A poor or indifferent builder can damage the structure's reputation.

The Veterans Land Act provides about 2,000 mortgages a year for new houses under a little publicized program. About 85% of veterans currently building under the plan are their own contractors—they do a good deal of the work themselves, and hire tradesmen.

Though this market is decreasing, prefabs have been increasing their share of it. At least 200 prefabs should be built this year under VLA, The Financial Post understands.

The prefabbers would like to push the "week-end building" trade if mortgages were available for it, other than under VLA. Lending institutions so far, however, don't look with much favor on mortgages for that purpose. They are not satisfied with the responsibility or ability of amateur builders.

Do Own Financing

Some prefabbers have finance plans of their own, with repayment periods like three years. This method has obvious limits. Comparatively, the amount of the loan would not be large though, since a down-payment is required and the prefab package costs between a half and a third of the finished house cost.

Several prefabbers arrange further credit for finishing the interior of the house with Interprovincial Building Credits, a company owned by building supply dealers for discounting customers' notes on home improvement loans. If mortgages could be arranged, "build-it-yourself" would really boom, prefabbers suggest. Several would be willing to guarantee completion to required standards by owner-builders.

Entry of British prefabricators into the Canadian market has spurred interest in prefabs in this country and is resulting in a more aggressive approach to the market by the Canadian industry. The British firms bank on lower labor costs, mass production methods and cheap ocean freight direct to Great Lake ports, along with pound sterling devaluation, to put them in strong competitive position with home producers.

At least four U. K. prefabbers now have permanent representatives or offices in their own name in Canada:

H. Newsum & Sons, of Lincoln, Eng., has a Toronto office; has been brought in contact by Premier Smallwood with St. John's contractors to discuss a 1,000 rental housing project for that city. It would be rent subsidized under NHA. Newsum has also prepared a special "outport" house, designed for Newfoundland's isolated coastal communities. The firm has supplied prefabs to a Manitoba mining camp; test Riley-Newsum houses have been completed at Ajax, Ont., by Central Mortgage and Housing Corp.

Montreal is getting its first British prefab—a Riley-Newsum house to be erected by Tower Construction Ltd. The British firm may move into Regina, where costs of the conventional house seem particularly favorable to prefab construction, and on the west coast. Costs of bringing the Riley-Newsum house by ocean freight to Vancouver are said to be only $100 more than to Eastern Canada.

A second U. K. company is erecting a test house at Ajax—Intercon Canada Ltd., recently incorporated subsidiary of Integrated Building, of England, bought the site from CMHC for a story-and-a-half house using interlocking wooden panels.

Trusteel Corp. of Canada Ltd., subsidiary of a British company, has set up a Toronto office. It sells steel frames for conventional houses.

Watford Realty has completed five houses in the Toronto suburb of Scarborough; company and builder, Donald Horton, of Agincourt, Ont., have some 210 prefabs in storage, ready for use elsewhere.

Economics of large-scale importing of prefabs have yet to be demonstrated in practice. This prefabbing is limited in extent, of course (as is much domestic prefabbing). As much as 80% of work may be done in Canada. Costs of the first four test houses at Ajax were rather high, and higher than expected. But this the company said, was due to small-scale operation, workmen unfamiliar with the methods and other special conditions.

Prefabbing, except for mining camps and the week-end builder, now has different purposes than early postwar prefabbing. It is not now aimed at getting more housing built so much as getting it built with various advantages from the builder's point of view.

Also, it must be remembered that the big problems of housebuilding today are tighter mortgage money and scarcity of serviced land. Prefabs might well stand a better chance if this were not so.

Prefabs Get The Nod

At Goderich, a Canadian firm, Nuway Buildings Ltd. will put up 25 prefabs under Central Mortgage & Housing contract for rental housing, won on the basis of low bid for the quality of housing demanded.

Up to all NHA standards, the houses are the same as conventionally built houses in almost all respects except the fact they are made in a factory, then transported to the site. The houses are for permanent civilian occupation, under a rental scheme financed by federal, provincial and local governments.

Owner of Nuway Buildings Ltd., William R. Kernohan, is one of the most complete prefabricators in North America. He makes the whole house in his factory, in two halves, trucks it to the site, in contrast to the more common method of prefabbing houses in wall sections and assembling them on the site.

Kernohan uses a literal assembly line—a king size roller conveyor system—and fits windows, hangs doors, spray paints, wires and puts in plumbing all in the factory. Only laying the floors, connections, building the chimney and installing a heating system, six hours of painting and some other minor finishing remain to be done on the site.

Kernohan has sold 600 houses in the London and St. Thomas area since he went into business soon after the war. Now he plans to expand. He may open branch factories and ship partially prefabricated houses to them for further finishing; he plans to probe outlying markets to see just how far he can economically truck a house.

He's looking at boom-expectant Oakville, at Stratford, and other Ontario centres. He thinks many prefabricators went broke in the States because they launched wide promotion before they had perfected their product.

He considers his best weapon his model H, with brick exterior, the one that landed the Goderich orders. The H model is the highest priced of a total of five models in production: $8,050 in London. Lowest priced is his F model, with two bedrooms and no upstairs to finish: $6,150.

All the houses have hardwood floors—birch or oak—in standard models. Interior finish is gypsum board. Basic prices include the foundation, but not the lot nor some extras.

Under present operation, it takes Nuway Buildings about three weeks from start to finish to make a house in the factory.

Like most of the young Canadian prefab industry, Nuway expects to be turning out more prefabs faster in the near future. Here's what some of the prefab industry is doing elsewhere in the country.

Greenall Bros. Ltd., of South Burnaby, B.C., are planning a big play for the prairie market this year. The company got into production in January last year, has supplied some 150 single family units for the Alcan project and more than 50 dormitories and mess halls for various projects, chiefly mining.

The Greenhall line is called "panel prefab," makes extensive use of plywood, nailed and glued to wooden frames. The firm's one-story house meets NHA standards; they have applied for approval of one-and-a-half story models. As of last fall, prices (exclusive of foundation) were $5,901 f.o.b. for a three-bedroom home, with 1,056 sq. ft.; $4,901 and $4,965 for two different two-bedroom models.

Pan-Abode (1951) Ltd., Vancouver, is markedly different from most prefabbers in its use of solid-wall construction with components assembled and precut to plans. All building members run in one direction, interlock and are weighted down by the roof and half by patented lock joints. No nails or pegs are used. The system eliminates splitting or wood or plaster cracking, it's claimed. A model with four-inch walls has been approved by NHA.

Albert Steiner, president of Pan-Abode, estimates the average finished product to be 25% to 30% cheaper than a comparable house put up by a contractor. Savings are bigger if the house is put up by the owner. The company has turned out complete logging and mining townsites, banks, offices, motels, churches, and many other buildings, selling all over the west and north.

Forty buildings, including homes, were set up for a new mine in the southern B. C. interior; United Keno and other Yukon mines have bought from Pan-Abode. Cassiar Asbestos is buying accommodation for close to 200 people for its far northern site. Now, Pan-Abode's sales drive is aiming at Eastern Canada.

Prefabricated Structures, Vancouver, is looking for good business from the prairies in 1953, as well as the B. C. interior. The firm is developing a new line, using a system trade name "Loxtave." It uses tongue-and-grooved cedar staves put up vertically and locked in heavy fir sills and top plates. A model house has been built for display at Kamloops.

These new models will be up to two or three bedrooms and size can be varied. Prefab Structures are aiming at a retail price of $5.50 to $5.60 per sq. ft.

One of Canada's leading prefabbers, **Halliday Co.**, Burlington, Ont., affiliated with Hill-Clark Francis Ltd. (lumber, woodworking, contracting), plans to step up sales with stress on the builder market, as well as the public.

Since the war, Halliday has produced over 3,000 houses, 3,500 summer cottages and close to 4,000 special buildings, including schools and churches. Present manufacturing capacity is about 500 houses, 500 summer cottages and 1,000 garages a year.

About 80% of the houses sold by Halliday are owner-built, much of the business under the Veterans' Land Act, which puts no mortgage obstacle in front of the after-hour carpenters.

Halliday puts out some 18 designs in prefabs in various shapes and sizes. A two-story model with six rooms and bath, 1,248 sq. ft. of floor space, cedar bevel siding, was recently priced at $4,654. Recent price tag on a low price model of three rooms, bathroom upstairs, two unfinished upstairs rooms, was $3,161.

The prices don't include standard plumbing materials, hot air heating materials, masonry, plaster materials, wiring, storm sash and combination doors. Delivery is free to Southern Ontario west of Burlington and north to Sudbury, North Bay and as far east as Ottawa.

North American Lumber Co. is the nearest thing to a prefabber in Manitoba right now. (Builders claim prefabs offer little cost advantage over conventional houses at Winnipeg.) The firm produces what is calls "Ezy-Bilt" houses and buildings.

Under this system, plans are submitted to the company and they cut the frame work, everything necessary for the structure except basement and installations. This precut plan offers wide variation in design and materials; prices on most popular models range from $1,842 to $3,587, floor area from 480 to 1,000 sq. ft., the latter a house of six rooms and a bath.

North American began prefabbing in 1941, continued until 1950 when it took on a government contract which was finished last year. During that time, it sold about 3,000 prefabs in the West, mostly houses. In one project at Terrace Bay, in northwestern Ontario, North American supplied 200 prefabs; others were sold at Atikokan.

MacMillan & Bloedel Ltd., have built two test houses in Vancouver, but officials of the firm say they have "come to no conclusions" as yet. Their study of prefab possibilities is continuing.

Colonial Homes Ltd. and Linwood Manufacturing Ltd., associated enterprises, based at Scarborough, a Toronto suburb, experienced a big sales increase last year, partly as a result of builder-dealer arrangement. Out of a total house sales last year of some 300 (including winterized cottages), about 60 were through builder dealers.

Linwood sells the builder the prefabricated house package, complete, just as the lumber firm would sell him lumber. The builder then retails the house to the consumer. Thus the builder can get his materials at one time and from one source, put up the house quickly and increase his year's turnover, and profit, without increasing capital or work force.

Linwood has sold some 60 houses in two years in Buffalo, N.Y., under a 16 2/3% tariff. Local prefabbers sell their houses with interior finished and Linwood was able to get the business by offering unfinished interiors making a plaster finish possible. The firm also shipped half a dozen houses to Newfoundland last year, some for mining towns, others for St. John's.

Most popular of Linwood's models is a three-bedroom, ranch style house with or without basement. The package costs $4,200 sold the public through a sales office. The builder gets a discount because a sales representative's commission is eliminated.

Linwood doesn't prefab floors or floor joists. The builder must ready foundations and subflooring in advance of delivery. The prefab has to be put up in a day to protect interior from the weather. It takes six men to do that job; four weeks later the family can move in.

Sunnibilt Prefab Products Ltd., selling mostly in Southern Ontario, is adding 10 new designs this year, including brick veneer models, bringing model range up to 23. It's also planning to expand its financing plan for those who can't get regular mortgages because they take charge of construction work themselves.

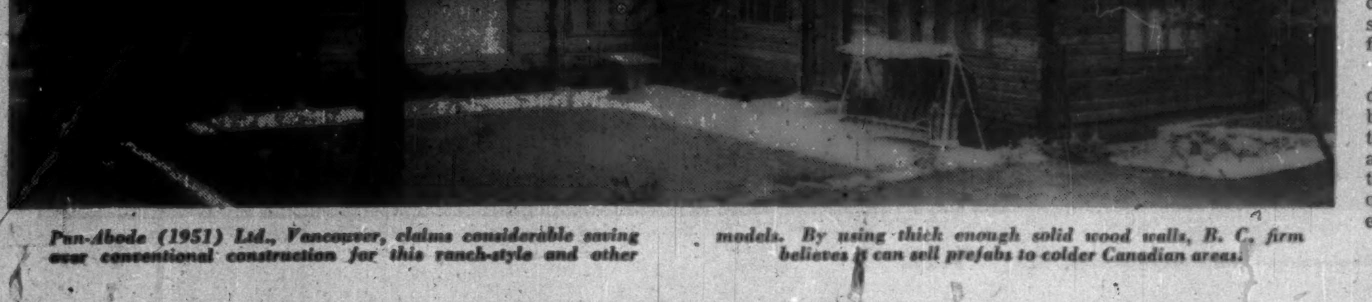
The firm will sell to builders, but aims mainly at the individual with limited means who want to contribute their own labor. Sunnibilt will do the erection, and guarantee it, for an added fee.

Their product ordinarily comes without interior finish, giving the buyer a choice between dry-wall finish, such as gypsum, or plastering. Sunnibilt is a division of Ontario Lumber Co.

In stepped up sales pushes by Canadian prefabbers across the country, the new and growing competition from U. K. firms and the widening acceptance of the prefabs in Canada, it seems clear that factory-built houses are going to make important news on the housing front.

From Factory To Foundation, A House In Two Halves

Smartly styled brick veneer houses are coming thing in Central Canada prefabs. Here a Nuway Buildings Ltd. (London, Ont.) crew has rolled two halves of factory-assembled house onto foundation from special trailer. Bricklayers will lay brick siding.



Pan-Abode (1951) Ltd., Vancouver, claims considerable saving over conventional construction for this ranch-style and other models. By using thick enough solid wood walls, B. C. firm believes it can sell prefabs to colder Canadian areas.

next to nothing

WE WONDER how much finer you can get than the aluminum wire used in delicate apparatus which records the earth's tremors. Drawn out almost to the vanishing point, it is about one-twelfth the diameter of a human hair. One pound of aluminum would make enough of this unbelievably fine wire to stretch 20,000 miles!

We know no more striking example of the way people make use of the lightness and strength of aluminum for all sorts of jobs. Our research and technical men are constantly tackling new questions brought to them by Canadian manufacturers who look to aluminum in developing new products, or better products, or products that cost less. Aluminum Company of Canada, Ltd. (Alcan).

Now Vancouver Is Facing Building Lots Shortage

Special Correspondence

VANCOUVER—This city is now face to face with a shortage which has menaced some large cities of Eastern Canada and United States—a dearth of building lots.

"Try to buy space for a modest house within three of four miles of the downtown business area and you will find yourself in very restricted choice, with hardly anything available under $5,000," says a leading realty salesman.

Up to now, the CPR has had a large reservoir of lots on the city's southern slopes, but these have now just about disappeared. Between Vancouver and New Westminster are entire new towns of housing development and shopping centres. Along with the actual scarcity of good areas on which to build new houses, there is a transition in demand which probably has been similarly felt in large centres all over the continent.

The demand now is for smaller lots.

"Not one person in a hundred nowadays will give passing thought to anything as large as a whole acre," realtors say. "The old idea of a big place and a sizeable garden seems to have disappeared."

City's Beginning

Vancouver began on the 500 acres of a small peninsula, which is now the downtown area between Burrard Inlet and False Creek. In the city's pioneer days, blocks were cut into the smallest possible lots—25 feet frontages were numerous and there were thousands of others of 33 feet—standard depth to the lane being 120 feet. (Incidental note—the city of Victoria, like Topsy, just grew—it has no lanes.)

Vancouver's second growth period, in the first decade of this century, came with the development of Shaughnessy Heights. "Anybody who was anybody" went in for a baronial-mansion-type place averaging two to four acres "on the Heights." The CPR, under Lord Shaughnessy's plan, advanced 80% or even more of the cost of improvements on longterm mortgages. In the tough times which followed World War I, it became known as "Mortgage Hill."

The real test came when three or four servants for each of the establishments were no longer obtainable. Scores of the magnificent residences of other days are now operated as rooming-houses.

Capilano Lots Shrink

When the Guinness family bought 3,000 acres of tax-sale lands in West Vancouver and installed a beautiful golf course and club at Capilano, it was a sort of hangover from the Shaughnessy Heights days.

Shaughnessy was getting to be a bit old-fashioned and in the so-called "British Properties" the Guinness people sought to go one better with magnificent scenic surroundings.

So several hundred acres were sub-divided, with many homesites two to even three acres in extent and many of an acre and one-and-a-half. Half of the original area is now fairly well filled up. But it looks as if this will be all, from the standpoint of the large pieces.

Remainder of the original subdivision is now going to be subdivided again to put on 100 lots at a time, dividing an acre into three or even four. The ideal size now appears to be a width of about 80 feet and a depth of 100 feet.

This gives room for a house and a built-in garage, a bit of lawn in the front, a playground behind for the kids and there you have it, something less than $5,000 in a good district, with streets, sidewalks and other general service improvements.

University of British Columbia has left 2,500 acres of endowment lands in the "University Area" of West Point Grey, provided by the government when the seat of learning was originally established there.

So far, sales have been on a select and exclusive basis, some large-sized lots, others smaller. Some new sites of great scenic beauty are shortly to be available at $15,000 to $25,000 each. But with the insistent demand for small lots from the small income people, it may be that the University authorities will be forced to follow the Guinness idea of 80-foot frontages at modest prices.

Staff Changes

Chartered banks announce the following staff changes.

Nova Scotia:

F. D. DUNN, manager, Halifax, to be supervisor, Nova Scotia and Newfoundland branches, with headquarters in Halifax.

H. A. FILLMORE, assistant supervisor, Saint John, N.B., to be assistant supervisor with headquarters in Halifax.

H. R. McCHARLES, assistant supervisor, Vancouver, to be assistant supervisor with headquarters in Winnipeg.

G. H. DICKIE, inspector, general office, Toronto.

S. A. MAGEE, assistant inspector, to be inspector attached to supervisor's office, Halifax.

J. S. TURNBULL, inspector attached to supervisor's office, Halifax.

E. V. ALLAN, assistant inspector, attached to the supervisor's office, Halifax.

J. G. SHORTT, assistant manager, Lethbridge, to be manager, Olds, Alta.

G. E. FAULKNER, accountant, Main and Kenilworth, Hamilton, Ont.

G. L. LEROUX, assistant accountant, Quebec, P.Q., to be accountant that branch.

W. N. POTTS, accountant, New Toronto, Ont.

J. G. BEGIN, assistant accountant, Quebec, P.Q.

I. A. YOUNKER, an assistant accountant, Toronto.

* * *

Commerce:

J. F. DUFFY, an assistant inspector in the dept. of the supt. of Maritime & Newfoundland branches, Halifax, to be assistant manager, St. John's, Nfld.

W. N. FERRIER, manager, Eston, Sask., to be manager, Melfort, Sask.

C. P. MALLALIEU, accountant, Uppertown, Sherbrooke, Que., to be manager, Bourlamaque, Que.

D. M. F. MANSON, assistant accountant, West Toronto, Toronto, to be accountant, Mount Dennis, Ont.

W. K. MARTIN, to be assistant accountant at West Toronto, Toronto.

G. D. McEACHERN, manager, Arborg, Man., to be manager, Eston, Sask.

D. K. McIVER, accountant, Pickering, Ont., to be accountant, Galt, Ont.

R. J. MOFFATT, accountant, Stafford & Grosvenor, Winnipeg, to be manager, Arborg, Man.

H. E. PRATT, manager, Melfort, Sask., to be manager, North Winnipeg, Winnipeg.

E. G. REED, to be accountant, Stafford & Grosvenor, Winnipeg.

G. C. McLEOD, to be accountant, Pickering, Ont.

S. W. WELLS, Assistant manager, Market, Toronto, to be manager, Bloor & Lippincott, Toronto.

* * *

Royal:

A. D. ROBERTSON, inspector, supervisor's dept., Vancouver, to be inspector, assistant general manager's dept., Toronto.

W. ROJAS, manager, Sancti Spiritus, Cuba, to be manager, Santa Clara, Cuba.

J. P. BUSHELL, Calgary, to be manager, Sexsmith, Alta.

R. M. LEVEILLE, head office, to be assistant manager, St. Denis & St. Catherine, Montreal.

H. A. DE SILVA, San Fernando, Trinidad, to be accountant, St. John's, Antigua.

J. M. VALOTAIRE, Place d'Armes, Montreal, to be accountant, Grand Falls, N.B.

R. L. SALSBURY, Harbord & Spadina, Toronto, to be accountant, Yonge & Eglinton, Toronto.

G. L. WRIGHT, Truro, N.S., to be accountant, Morris & Barrington, Halifax.

F. D. WALTON, Kitchener, Ont., to be accountant, Drayton, Ont.

G. T. MORGAN, accountant, Drayton, Ont., to be accountant, Wheatley, Ont.

BRITISH AMERICAN OIL CO. issued 5,897 common shares during February upon conversion of outstanding debentures. There are now 7,962,139 common shares outstanding.

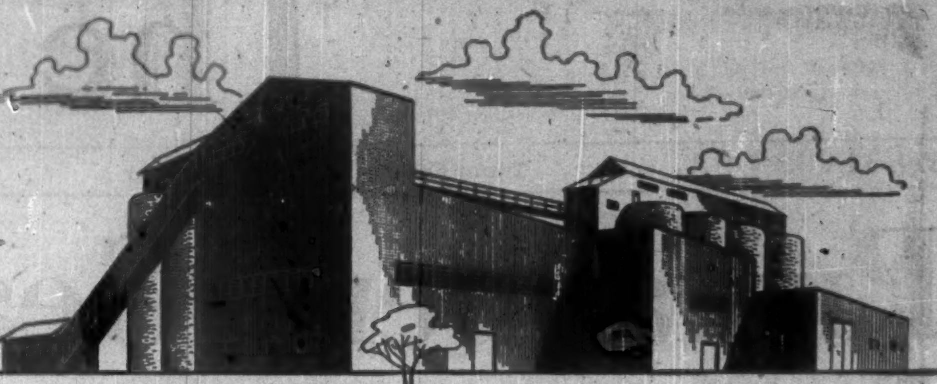
MONARCH KNITTING CO. has purchased for cancellation an additional 50 4½% cumulative redeemable sinking fund preference shares, reducing number of preference shares outstanding to 4,285.

The Wawanesa Mutual Insurance Company

Admitted Assets $14,004,734.77
Surplus 4,557,440.61
Dom. Govt. Deposit 3,969,667.99

Write for Financial Statement

Head Office WAWANESA Man. — Eastern Office TORONTO Ont.
Branches at Vancouver, Saskatoon Winnipeg and Montreal



CARTER *again chosen by*

ST. MARY'S CEMENT COMPANY LIMITED

For sixteen years CARTER has carried out the construction work of St. Mary's Cement Company Limited at St. Mary's, Ontario. Illustrated above are the new raw mill buildings, slurry tanks, conveyor bridge and clay tanks just completed by CARTER Construction. CARTER'S long and happy association with St. Mary's Cement Company is a strong recommendation for *you* to choose CARTER when planning any large-scale building project.

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Contractors for 50 years

Toronto: 419 Cherry Street Tel: EMpire 3-9348 — Winnipeg: 539 Kylemore Avenue Tel: 4-6692

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

TRADERS FINANCE CORP. net profit of $3,824,844 for 1952 was 73.5% higher than 1951 net of $2,204,629.

During the year, 158,669 class A common shares were added to the 209,320 outstanding at Dec. 31, 1951, through conversion of sinking fund debentures and exercise of stock purchase warrants.

Volume of business being transacted by Trans Canada Credit Corp., a wholly owned subsidiary, is profitable, reports President A. E. Naylor. Volume of insurance written by Canadian General and Toronto General Insurance Cos., subsidiaries, has consistently increased.

Another subsidiary, Traders General Insurance Co., which began operations in 1952, was formed to insure certain risks of the parent company.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Total income	$16,419,488	$11,735,736
Net income	11,656,074	7,783,284
Less: Deprec.	221,264	203,421
Deb. int., etc.	3,404,717	3,194,290
Income tax res.	4,136,005	2,215,180
Minority int.	69,244	279,905
Add: Prof. on secs.	......	114,141
Net profit	3,824,844	2,204,629
Less: In. on rts.	17,592	17,812
"A" pref. divds.	135,641	136,174
Com. divds.	1,031,068	657,574
Surplus for year	2,640,543	1,393,009
Times Interest Earned:		
Before depr.	3.42	2.44
After depr.	3.36	2.37
Earnings per Share and Dividend Record:		
Rights: Earned	$192.94	$111.21
Paid	1.00	1.00
4½% Pf.: Earn.	126.30	72.55
Paid	4.50	4.50
A & B: Earned	7.52	6.23
Paid	2.25+0.25	2.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$12,663,948	$13,882,529
Marketable secs.*	7,050,893	6,719,185
Accts. rec.	141,926,811	93,007,334
Sundry loans	3,719,438	2,983,311
Total curr. assets	165,361,090	116,592,359
Equipment, etc.†	663,556	555,150
Total assets	166,024,646	117,147,509
Bank loan (sec.)	30,100,000	9,700,000
Accts., tax., etc., pd.	5,119,979	3,001,816
Dealers' res., etc.	6,393,811	3,868,518
Total curr. liab.	41,613,790	16,570,334
Funded debt	80,939,625	77,112,575
General reserves	2,438,650	2,112,966
Min. int. in subs.	803,423	758,020
Unearned chgs. res.	9,329,781	6,355,257
Capital stock	11,292,913	5,920,388
Earned surplus	10,606,455	8,317,769
†After depr. of	450,044	338,039
*Market value	6,840,334	6,306,349
Working capital	123,747,300	100,022,025

CANADA WIRE & CABLE CO. consolidated net profit of $1,994,062 for 1952 was 5.1% less than 1951 net of $2,100,634.

Sales again established a new record, reports President James Y. Murdoch.

During the year, some $2,175,000 was spent on new buildings and equipment. Commitments outstanding for additional expenditures total $300,000.

"These capital expenditures, together with higher inventories, made it necessary to arrange for increased bank borrowings up to $3,000,000," says Mr. Murdoch.

Sale of $1 million of Canada Bonds during 1951 resulted in a $16,000 drop in investment income. Increase in executive remuneration and legal fees of $47,000 was due to reclassification and to legal expense in connection with litigation.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Total net income	$4,958,155	$5,508,550
Less: Taxes	2,340,000	2,950,000
Depreciation	554,156	383,462
Debent. int.	69,937	74,437
Net profit	1,994,062	2,100,634
Less: Cl. A divd.	14,286	25,061
Class B divd.	608,601	592,408
Surplus for year	1,371,195	1,483,165
Times Debenture Interest Earned:		
Before depr.	70.80	74.00
After depr.	62.97	68.85
Earnings per Share and Dividend Record:		
Class A*	$633.43	$495.78
Paid	4.00	4.00
Class B	9.72	10.30
Paid	3.00	3.00

*9,945 Cl. A converted to 19,890 Cl. B during 1951, 1,089 Cl. A converted to 2,178 Cl. B during 1952.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	813,190	815,081
Investments‡	673,250	673,250
Accts. rec.	4,675,766	5,164,987
Inventories	11,067,309	11,128,237
Total curr. assets	17,229,524	16,932,235
Misc. assets	61,833	38,244
Fixed assets*	5,127,685	3,411,739
Total assets	22,419,042	20,430,338
Bank advances	3,034,438	2,148,215
Accts. pay.	2,831,768	3,301,367
Prov. for taxes	1,882,174	1,836,033
Debents. due	150,000	150,000
Total curr. liab.	7,898,370	7,333,815
Funded debt	2,100,000	2,250,000
Inventory res.	1,000,000	1,000,000
Res. for reels	682,932	579,998
Capital stock	1,375,000	1,375,000
Surplus	9,162,720	7,791,325
*After depr. of	6,288,295	5,677,831
‡Market value	897,300	398,740
Working capital	9,331,154	9,748,340

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6 DAYS to Europe from Quebec

S.S. "ATLANTIC"
(22,000 tons)

Get the most out of your crossing to Europe by sailing on the luxurious "Atlantic". Thousands of Canadians in 1952 enjoyed its cosmopolitan atmosphere, continental (and Canadian) cuisine, luxury suites and bedrooms, air-conditioned public rooms, extra-spacious promenade and sun decks, deck pool, "cruise" entertainment organized by trained hostesses, first-run movies, fine orchestra, and its personal steward service trained in the famous 100-year old Cosulich marine tradition.

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April 18	May 7	May 25
June 12	June 28	July 15
July 31	Aug. 17	Sept. 2
Sept. 19	Oct. 5	Oct. 22
Nov. 7	Nov. 24	

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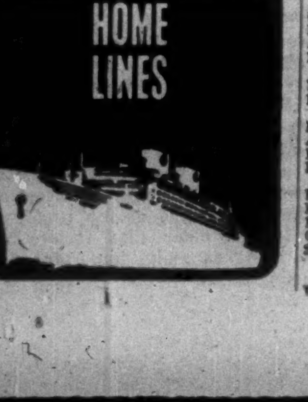
HOME LINES



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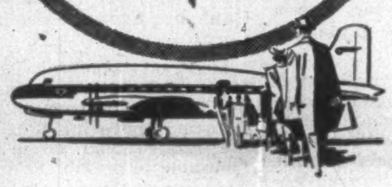
Your Airline Reports...

Information of interest to Canadians (who all have a share in TCA) based on TCA's Annual Report for the year 1952.



OVER A MILLION PASSENGERS CARRIED IN 1952
STEADY INCREASE IN TCA SERVICES:

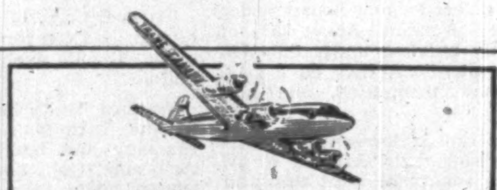
	PASSENGERS CARRIED	PASSENGER MILES FLOWN	AIRCARGO AND AIR EXPRESS TON MILES
1942	104,446	57,583,305	217,411
1947	443,782	230,178,216	1,124,780
1952	1,132,518	653,961,415	7,042,427

OVER 18,000 MILES OF "MAPLE LEAF" ROUTES

By the close of 1952 TCA Skyliners were serving 9,916 miles of routes in Canada and the United States, and 8,999 miles overseas.

FLYING THE MAIL

TCA carried regular first-class mail on Canadian routes where the use of air transport ensured more rapid delivery. As a result, Canada has one of the fastest postal delivery services in the world.



DOLLARS and CENTS in 1952

Operating Revenues	$55,057,708
Operating Expenses	52,744,741
Operating Income	$ 2,312,967
Non-operating Income — Net	444,912
	$ 2,757,879
Interest on Capital Invested	750,000
Income	$ 2,007,879
Provision for Income Tax	1,200,000
Net Income	$ 807,879

It is interesting to note that TCA again operated at a profit in 1952, even in the face of higher operating expenses — notably an increase of $5,000,000 in payroll, and the payment for the first time of federal income taxes, amounting to $1,200,000.

NEW EQUIPMENT . . . As part of its program of continuing development in the service of Canadians, TCA has purchased eight Super Constellations and 15 "turbine-propeller" Vickers Viscounts at a cost of over $30,000,000. On this a substantial down payment of nearly $6,000,000 has already been made out of 1952 income. These new aircraft are scheduled to go into service next year. Combined with the airline's present flight equipment, they will constitute one of the most modern and balanced fleets of commercial air transports in the world.

NO NEW CAPITAL . . . With all the great and continuing expansion of services, it is noteworthy that, for the fourth year in succession, the Company was able to carry on its business without the introduction of new capital.

DOLLARS AND SENSE . . . Canada, with its limited population and vast distances, must plan its air progress with the challenge of Canadian conditions in mind. As G. R. McGregor, President of TCA, pointed out in the Annual Report:

"... the future of Canadian air transportation, growing within the framework of a flourishing economy, must be regarded with confidence. It is, of course, necessary that development be guided by due regard for qualitative standards and economic reality. These conditions TCA will endeavour to observe."

TCA recognizes this need for sound planning and efficient operation. The record shows the results:

- an orderly development on a sound and sensible basis
- a steady emergence from red to black with a small profit
- an unsurpassed record of year 'round reliability in operations
- no increase in the cost of air travel for TCA passengers since April 1, 1947
- a planned program of expansion to meet the increasing air travel needs of Canadians.

That policy is being continued today, for the future. New aircraft are being added to the TCA fleet; more personnel being trained, new service improvements effected; all to make sure that ever-growing numbers of Canadians will *continue* to be served by —

modern dependable air travel, all year 'round

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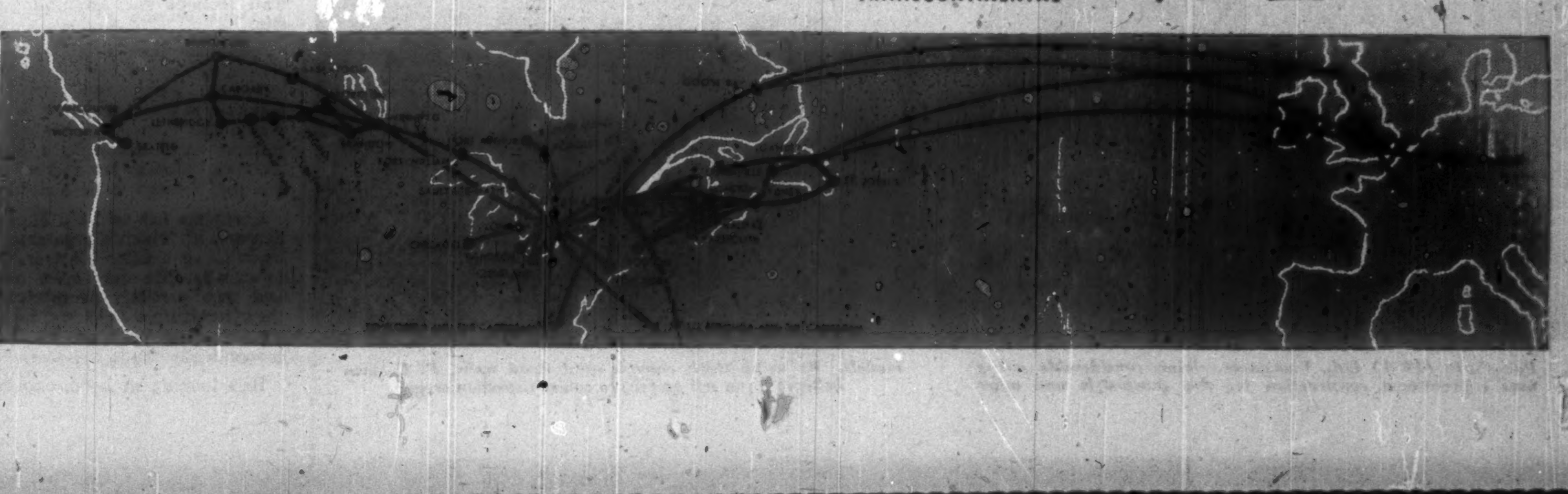

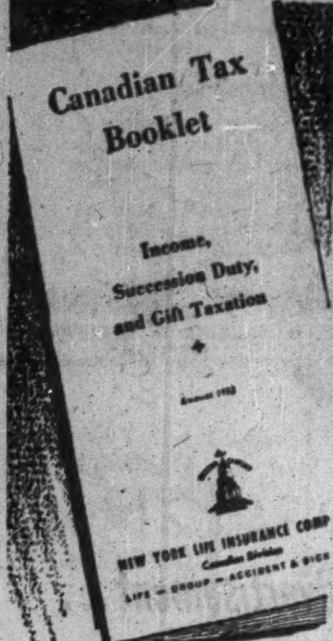

What you should know about

YOUR INCOME TAX

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Mortgage Loans By Banks? Idea Gets Cool Reception

Should the Bank Act be amended to permit chartered banks to lend money on mortgages as some sections of the construction industry are asking?

Latest support for the proposal came this week from a spokesman for the National House Builders' Association. He argued that Canadian banks should be allowed the same liberty as the U. S. banks because the present mortgage credit structure was not large enough to support a necessary 125,000 housing unit program.

Bankers have made no official statement on the matter but individual bank executives contacted by The Post this week pointed to U. S. experience of the early thirties when many American banks had money out on mortgage loans. Real estate prices fell, property-owners who had mortgaged their property couldn't pay off their loans; the banks, if they foreclosed, could not sell the property taken over. Meanwhile the depositers couldn't get their money and banks failed.

As one bank executive put it:

"It would be a sorry day for the banks and their depositers if the act were amended to permit the banks to lend on mortgages.

"Even if a bank did not think it safe to lend on real estate, if the legislation allowed it to do so, it might be forced into a position where it would have to make mortgage loans," he added.

Representatives of insurance and loan companies contacted were non-committal on the proposal.

Said one insurance executive:

"The reason the Canadian banks are so strong and so well regarded today is to a large extent because they have been prohibited from lending on mortgages.

"If the banks were so authorized it would undoubtedly broaden the supply of mortgage money, but demand may not be so heavy. If the banks were authorized to make such loans there should be some safeguard that they could get their money out if needed to pay depositers."

Said another insurance officer: "Mortgage loans would tie up a bank's funds for possibly five years at a minimum. That hardly seems the way to handle money that may be needed to pay depositers on demand."

E. D. GRAY-DONALD

a vice-president of Quebec Power Co., has been elected a director of the company.

N.B. Telephone Issue Approved

MONTREAL (Staff)—More than $5.5 millions will be spent by New Brunswick Telephone Co. on construction in 1953 and 1954, it was stated at a hearing before the provincial Board of Commissioners of Public Utilities which approved the proposed offering of 197,591 $10 par common shares.

Immediate purpose of the issue, which is to be offered at par to existing shareholders on the basis of one new share for each seven already held, is to pay off bank loans totaling about $1 million as of Jan. 31. These loans are expected to rise to $2 millions by June 30, it was stated. They have been incurred to meet heavy and pressing demand for service.

N. B. Telephone noted at the hearing that it felt a ratio of 60% stock and 40% debentures was a proper capitalization.

Bell Telephone Shareholders Approve Increase in Capital

MONTREAL (Staff) — Shareholders' approval of an increase in authorized common stock capitalization at the annual meeting of Bell Telephone Co. of Canada has paved the way for large additional equity financing in the future. Authorized $25 par value common stock will now stand at $500 millions against the previous $300 millions ($240 millions was outstanding at Dec. 31, 1952).

It was indicated that Bell's next offering of common stock will be even bigger than last year's $49 million issue, which set a Canadian record. Prior to the increase in authorized capital stock, there were 2,387,804 unissued common shares. President Frederick Johnson, while stating that future financing plans are not yet determined, had told shareholders that this unissued balance "might well be insufficient to provide for another offer to shareholders in the proportion we have issued stock in the last three issues, and also provide for the company's commitments under the employees' stock plan."

In February, 1952, offering was on the basis of one new share for each five already held: 1,557,140 shares were taken up.

Mr. Johnson reported that 1953 construction plans provide for the addition of even more plant and equipment than last year when $85 millions was spent on new telephone facilities. Demand for service continues strong and well over 100,000 telephones are expected to be added this year, he said. Bell's two-millionth telephone is now in operation.

Four out of five of the company's telephones are now served from dial exchanges, while use of dial operation by long distance operators is being expanded as rapidly as possible. About 37% of Bell's long distance calls are now handled by dialing through to the distant point.

The company's Toronto-Ottawa-Montreal radio relay link—which will carry television programs and provide more long distance circuits—is nearly completed, Mr. Johnson reported, and engineering is under way for its extension east to Quebec City. Plans are to extend the system north and west of Toronto as requirements develop.

Reviewing 1952 operations, the president noted that surplus for the year after dividends totaled $4,298,000. This, he said, "may be regarded as a partial restoration of the $8 million depletion that resulted from the inadequate rates for service during the years 1949 and 1950."

Reflecting a general improvement in productivity, Mr. Johnson, said, the increased volume of business last year was handled without any increase in the total number of employees.

Short Position Lower on TSE

Semi-monthly short position of the Toronto Stock Exchange on March 13, eliminating odd lots on members' books, aggregated 744,195 shares of 190 issues, compared with 791,420 shares of 191 issues on Feb. 27.

Largest net changes in individual stocks were:

Stock	Shares	Stock	Shares
Chimo	+9,500	N. Larder U	—6,100
E. Metals	+10,100	N. Thurb.	—14,500
Inspiration	—26,600	Nubar	—11,500
Jacknife	+8,500	Red Poplar	+9,500
Joburke	—6,500	Silv. Miller	+20,700
Negus	+10,000	Un. Asbest.	—7,600

Here are short positions in detail:

Stock	Shares	Stock	Shares
Abitibi	2,900	Halliwell	1,000
Ajax	100	Harricana	1,000
Akaitcho	1,000	Headway	1,000
Albermont	2,000	Hollinger	100
Algoma Steel	150	Homer	2,000
Aluminium	800	How. Smith	300
Anacon	6,100	Hudson Bay	75
Anglo-Rouyn	3,000	Imp. Oil	3,500
Aquarius	2,000	Inspiration	22,600
Argus	500	Int. Nickel	900
Armistice	1,500	Int. Pete.	100
Ascot	4,800	Jacknife	11,000
Asher	3,000	Joburke	2,500
Atlas Steel	100	Jupiter	200
Avillabona	500	Kerr-Addison	500
Bailey Selb.s	3,000	Ladulama	2,500
Banff	400	Lake Dufault	800
Barvue	200	Lk. Lingman	1,000
Base Metals	1,500	Lake Shore	100
Bell Phone	200	Leitch	1,000
Bevcourt	1,000	Lynx	2,000
Bobjo	6,000	Macdonald	1,400
Bonville	3,500	MacLeod	500
Britalta	1,500	Man. & East.	15,000
B. A. Oil	1,600	Massey-Harris	2,000
Broulan Reef	1,200	Mindamar	300
Brunhurst	1,000	M. & O. Paper	50
Buffalo Ank.	1,000	Mylamaque	500
Buffalo Cdn.	1,000	Nat. Pete.	200
Bulldog	500	Negus	43,000
Calder Bous.	5,500	Nesbitt	23,675
Calgary & Ed.	600	N. Bidla'que	5,000
Callinan	500	N. Brit. Dom.	1,100
Can. Cement	50	New Calumet	2,100
Can. Pack. B	100	New Delhi	2,100
Cdn. Brew.	100	N. Dickenson	200
Cdn. Celanese	75	N. Highridge	500
Cdn. Devonian	200	New Hugh	3,000
C.P.R.	250	N. Larder U	83,700
Cdn. Pipe Line	400	Newlund	1,000
Cassiar	23,550	New Superior	100
Cent. Explor.	4,900	N. Thurbois	500
Charter Oil	100	Nisto	1,000
Chem. Res.	200	Noranda	425
Chimo	32,500	Norgold	2,000
Citra-Lartic	1,000	Normetal	100
Cons. Astoria	1,000	Norsewick	1,000
Cons. Discov.	1,500	Nubar	5,000
Cons. G. Arr.	300	O'Leary	1,000
Cons. Smelt.	3,450	Ont. Pyrites	1,200
Cons. Paper	25	Do. B wts.	2,000
Conwest	100	Opemiska	1,300
Corby A	100	Orange Crush	400
Del Rio	100	Pacific Pete.	500
Devon	2,100	Pitch-Ore	500
Dome	100	Price Bros.	500
Dom. Asbest.	16,200	Que. Copper	200
Dom. Steel	200	Quemont	600
Donalda	13,000	Red Poplar	9,500
Duvex	1,000	Rix-Atha.	300
East Crest	2,500	Roche	1,000
E. Metals	17,100	Rowan	2,000
East. Steel	300	St. Lawr.	1,600
E. Malartic	2,500	Sapphire	100
East Rim	17,100	Scurry	3,600
East Sullivan	1,800	Shawkey	2,000
Elder	3,000	Selburn wts.	1,000
Em. Glacier	200	Sherritt	4,600
Estella	500	Silv.-Mill.	37,110
Eureka	9,000	Simpsons	200
Do. warr.	1,000	Stanwell	4,100
Falconbridge	200	Starratt	1,000
Fargo	800	Steeloy	2,000
Fenimore	900	Steep Rock	10,000
Do. warr.	3,000	Sweet Grass	2,000
Ford A	375	Tor. Elevat.	150
Fraser Cos.	500	Trad. Fin. A	50
Frobisher	700	Trans Emp.	3,000
Do. warr.	900	Trans Mtn.	300
Gas Explor.	3,000	Trans. Res.	500
Gatineau	360	Transvis-Tel	18,200
Gen. Stl. W.	100	Tungsten	27,300
Giant Yk.	100	Un. Asbest.	61,600
God's Lake	4,600	Un. Keno	3,100
Goldcrest	10,000	Un. Oils	800
Gold Eagle	1,000	Violamac	4,600
Golden Man.	400	Waite Amulet	1,000
Goldora	500	Walker G & W	275
Graham Bous.	2,500	W. Ashley	1,000
Gt. L. Paper	400	W. Homestead	1,200
Gridoil	9,200	W. Tungsten	200
Gulf Lead	500	Wilrich	500
Gunnar	18,800	Wingait	2,000
Gwillim	500	Yk. Bear	1,400
Gypsum	[illegible]	Yukeno	1,100

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MINING CORP. OF CANADA showed a sharp increase in earnings in 1952 to $1.68 a share ($1.28) reflecting receipt of two dividend payments from Quemont compared to one a year earlier.

Production of metals by the three subsidiary companies, Quemont, Normetal and Torbrit Silver, was maintained at a high level in 1952 but profits were lower for all three companies. Wage increases, and lower average prices for zinc, gold and silver outweighed a higher price for copper.

Plans for 1953 include seven prospecting parties in various favorable areas including the Northwest Territories. Diamond drilling is to be done on the Waddy Lake area concession in Saskatchewan where a small but good grade gold showing has been found.

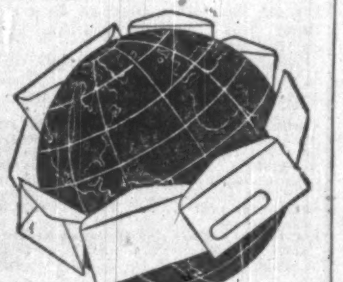
INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Inc. from invest.	$3,686,057	$2,857,628
Interest	52,431	37,763
Total income	3,738,488	2,895,391
Add: Adm. & sub. rev.	133,775	130,000
Less: Adm. & expl.	284,520	290,218
Net earnings	3,587,743	2,735,173
Less: Depreciation	3,597	3,459
Net profit	3,584,146	2,731,714
Less: Dividends	2,134,807	2,134,807
Surplus for year	1,449,339	596,907
Earnings per Share and Dividend Record:		
Earned	$1.68	$1.28
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$2,157,555	$1,073,767
Bonds*	2,768,275	2,108,587
Accts. rec., etc.	18,667	13,943
Total curr. assets	4,944,497	3,196,297
Loans to sub. cos.	850,003	1,533,857
Mining claims, etc.	54,999	45,103
Invests. in subsid.‡	3,298,924	3,234,877
Other min. invest.‡	160,952	216,716
Excess mkt. val. of sec. over cost	33,294,713	42,174,181
Office equip., etc.	13,231	13,511
Total assets	42,617,319	50,414,542
Accts. pay.	18,545	10,435
Divds. uncl.	31,039	25,292
Total curr. liab.	49,584	35,727
Invest. reserve†	33,294,713	42,174,181
Capital stock	5,221,570	5,221,570
Surplus	4,051,452	2,983,064
*Mkt. val.	2,762,225	2,119,300
Working capital▲	4,894,913	3,160,570

†Excess mkt. value over cost.
‡At or below cost.
▲Excluding invests. in other mining companies.



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MONTREAL OTTAWA TORONTO WINNIPEG VANCOUVER

Union Self-Help Experiment In Housing First In Canada

A new element has been tossed into Canada's housing picture.

The Hamilton local of United Steelworkers of America is promoting the first low-rental housing project in Canada to have organized union backing and financial sponsorship. It will be for elderly persons, to cost about $100,000.

The project—of limited importance in itself — may establish a new principle in Canadian housing and labor union policies. For that reason, the method of approach and details are being watched closely.

The union intends to seek a direct mortgage loan from Central Mortgage & Housing Corp. using Section 9 of the National Housing Act. Under this section, CMHC loans 90% of the lending value at 3¾%, with up to 50 years to pay. Companies owning the projects are limited to 5% of their equity as dividends, and must have "independent and efficient" management.

The Hamilton union is going ahead with the formation of a company to organize and operate the project, and will put up the necessary initial capital. A provincial government grant is also being sought, which might amount to some $5,000. This would require a change in Ontario law since aid to such projects is now confined to those sponsored by municipalities.

The union may also bargain with Hamilton to get lower taxes. Section 9 projects ordinarily pay full taxes, but the union would argue the city can afford to make this limited contribution to easing a local problem. The city itself, anxious to avoid being involved in too much low-rental housing under the local housing authority, has been giving legal assistance and helping the union in other ways.

The union will likely restrict admission to the projects to retired members of the union, but may achieve this simply by giving priority to members.

If this project works out satisfactorily, the Hamilton union has other projects for the elderly in mind.

The proposition also raises the possibility of the application of Section 9 to other low-rental housing with union backing. Ottawa has turned down efforts of individuals to form tenant co-operatives to build and occupy homes under the long-mortgage, low-interest terms of Section 9. However, the unions might be able to qualify. A delicate legal problem might arise if the union-owners limited occupancy to union members. Income requirements for low-rental projects are four to six times the rent—a person with $360 income can rent at $60 a month.

The terms of section 9 are also available to any private enterprise company providing low-rental housing for its employees, if it can prove a scarcity of low-rent housing in the community.

The Hamilton union is also seeking to have the steel plants there declared defense industries, in which case union members would qualify for defense housing mortgages, to 90% of lending value, at 5¼%.

Heavier Crop But Lower Prices Seen For Trappers

From Our Own Correspondent

WINNIPEG—The fur cycle in the province's fur rehabilitation projects in northern Manitoba appears to be on the upgrade and a better-than-average crop is in sight on the big Summerberry development near The Pas.

The provincial natural resources branch has issued 470 trapping licenses for the season, which opened a week ago, and trappers report the muskrat population is much higher than last.

Better water conditions, a favorable winter, and comparative absence of the disease which had caused such a high death rate the last two seasons have combined for a good trapping year.

Price prospects are less favorable, and not likely to be as high as last year. In expectation of this the natural resources branch is allowing a bigger quota for each trapper to make sure his revenue will maintain the monthly level of $25 a month paid them after the catch is sold.

Management Consultant Mead Carney in Canada

Management consultants with international connections, Mead Carney of Canada Ltd., has opened an office at 392 Bay Street, Toronto. F. Arthur Huycke is secretary-treasurer and regional director.

President of the company is Colwell J. Carney, who is also president of Mead Carney & Co., New York, and Mead Carney International Corp., with offices in London, Paris and Milan. The organization has been active in such diverse fields as South African gold, Iranian oil and in the Dutch West Indies, in addition to industrial programs in the United States. Directors of the Canadian company are Mr. Carney, Mr. Huycke, Edward F. Richardson, Toronto, and W. R. Donnell and T. O. Sawyer, New York.

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A RECORD OF PROGRESS

	Total Income	Insurance in Force	Assets
1922	$ 563,833	$ 17,136,609	$ 1,819,270
1932	1,362,710	39,627,885	5,777,336
1942	2,052,607	64,557,667	10,040,948
1952	4,052,966	129,046,086	25,143,218

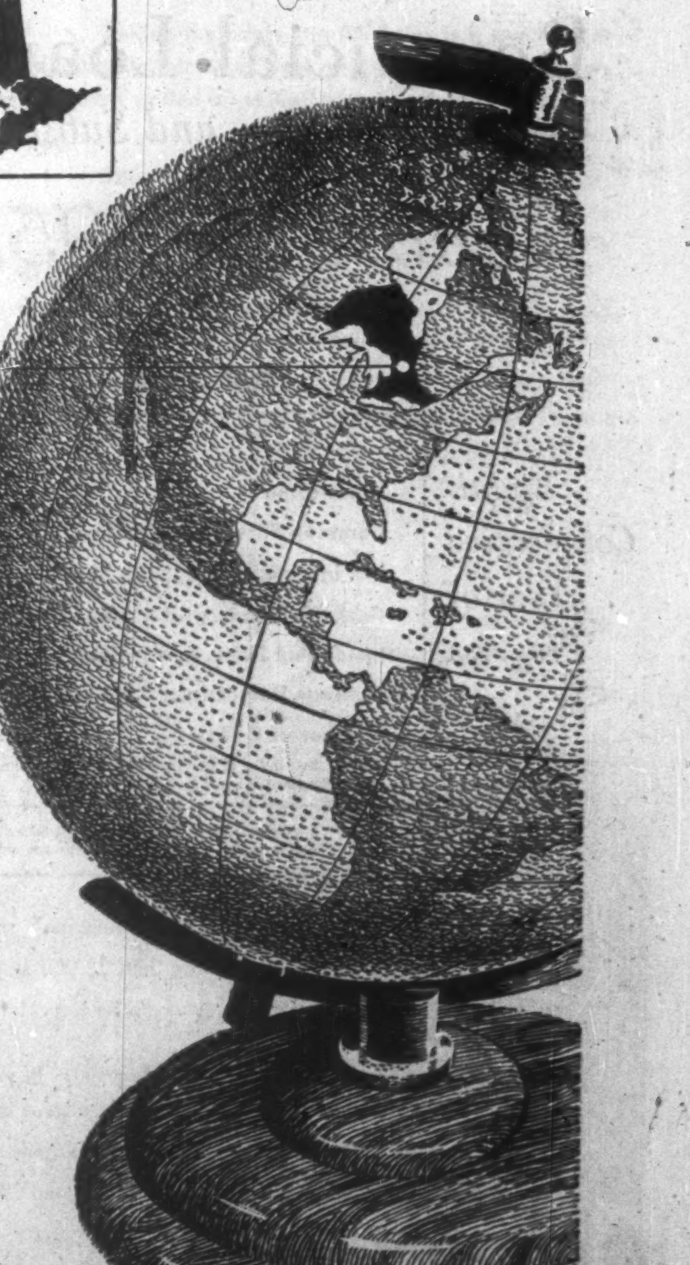
HIGHLIGHTS OF 1952 REPORT

Substantial Increase in Dividend Payments to Policyholders
Total Assets at New Peak
Exceptional Interest Earnings
Favourable Mortality Experience

MONTREAL LIFE INSURANCE COMPANY
The Friendly Company
HEAD OFFICE, MONTREAL

MARKETS IN

THE MAKING



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1-3

Political Scrap Flares Up On South Sask. Irrigation

From Our Own Correspondent

REGINA — Second salvo has been fired off in the direction of Ottawa on what's shaping up as one of the West's hottest political potatoes in the coming federal election campaign. Like the first, this salvo came from Saskatchewan.

This time, the Saskatchewan Government was ready with a cannon ball: a full-fledged 12,000-word rebuttal of the Hogg Commission's report, which recommended against immediate construction of the South Saskatchewan River project.

To help prove its point, the province sprinkled its rebuttal of this suggestion with phrases like "misrepresentation and distortion of accepted facts."

Earlier, rapid-fire grape shot that greeted the commission's report held promise of what was in store. Said some: it's the kiss of death for the 15 Liberal members from Saskatchewan.

CCF and PC members of the federal house were quick to jump aboard. The Liberals are still juggling the potato and don't yet seem to know quite what to do with it, especially since the federal Cabinet accepts it and Agriculture Minister Gardiner thinks the report is a "silly document."

It may be the Liberals may strike a quick compromise before polling time in some modification of the project and at least token preparation for construction. They could still repudiate the report.

In its rebuttal, the Saskatchewan Government rejected completely the royal commission findings on the project and called on the Federal Government "to assure the people of Saskatchewan and Canada that it is prepared to assume its responsibilities on the project immediately."

The province said it is convinced the PFRA cost estimates "are accurate and that total capital costs based on present-day prices will not exceed $130 millions."

Copies were tabled in the Legislature Monday and also sent to the Federal Government.

The commission, which estimated costs of the major irrigation and power project at $250 millions, recommended against its immediate construction on the grounds that it would be too costly and that it would threaten the stability of the Canadian economy.

The province also rejects the commission argument that the South Saskatchewan River project area is a marginal or fringe irrigation area and that better alternative use of the physical resources may be available.

The province says that because of its broad terms of reference, the commission could "have made a great contribution to the question of resource development."

"But apart from introducing a few important concepts, the Commission has failed to capitalize on its opportunities.

The provincial rebuttal named three reasons for challenging the royal commission's cost analysis: "ridiculous amount of overhead and indirect costs," "use of obviously uneconomical materials," and "unjustifiable and unexplained inflation of large cost items."

The commission's assessment of real costs was also rejected.

Spread over a 10-year period as suggested in engineering reports, expenditures in any one year will amount to only one-fifth of one per cent of the total public and private investments contemplated in Canada in 1952; bulk of the raw materials for construction of the earth-filled dam are available in Saskatchewan; a margin of unemployment now exists in Canada and a substantial pool of seasonal labor is available in the province; and, once the project is initiated, the rate of investment "can be easily stepped up if economic trends indicate the need for further stimulus."

Gimmick Speeds Gasoline Sales

A streamlined system of handling credit card sales at service stations has been introduced by Imperial Oil Ltd.

Known as Esso-matic, the new gimmick is an adaptation of the charga-plate used by some department stores and air lines. Its essential feature is a small metal plate with the customer's name, address and serial number which is inserted into an "imprinter" kept on the pump island.

The ticket is then filled out with details of the sale and presented on a steel tray for the customer's signature. In addition to cutting sales time in half, the new method is said to help eliminate bookkeeping errors because of legibility of the charge sales data.

Dividends COMPOUNDED Continually

5.38% Dividend Income in 1952....

M·A·F

MUTUAL ACCUMULATING FUND

JANUARY 1950 INITIAL PRICE $10.00
YEAR END 1950 PRICE 12.35
YEAR END 1951 PRICE 14.40
YEAR END 1952 PRICE 15.15

DISTRIBUTIONS PAID MONTHLY—QUARTERLY
5% ON AVERAGE NET ASSETS (1953) RATE

M·I·F

MUTUAL INCOME FUND

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276 ST. JAMES ST., MONTREAL

Osler, Hammond & Nanton Limited
MAIN & PORTAGE AVE. WINNIPEG — 525 SEYMOUR ST. VANCOUVER 2

The Western City Company Limited
544 HOWE ST. VANCOUVER 1

Trust Officials Ask Again For Investment Act Change

Trust companies operating in Ontario have shown marked interest in the recent report of a British governmental committee on charitable trusts which recommended a broadening of the range of investments open to them. The proposed revisions would allow up to 50% of the fund's total assets to be invested in stocks on which a dividend of not less than 4% on their equity capital had been paid annually for the past 10 years.

A bill with the same general purpose, but with different limitations, was introduced in the Ontario Legislature last year. It was rejected by the Legal Bills Committee.

Consensus of Canadian trust company officials questioned by The Financial Post was for a broadening of the investment range but not up to the 50% limit recommended by the British Committee.

The Ontario draft bill would have put the limit at 35% investment in stocks which had paid a dividend of not less than 4% over the past five years. The remaining 65% or more would be restricted (as in all other provinces) to the type of securities now eligible—government and municipal bonds and mortgages.

Canadian trust officials' opinion on the investment ratio ranged between 30% and 40%.

The provision in the Ontario draft bill that a five-year period of continuous dividend payments be required as a condition of eligibility, as opposed to the British recommendation of 10 years, was favored by spokesmen of Montreal Trust, Crown Trust and Canada Permanent Trust Co.

"The 10-year period is too restrictive and would eliminate many sound equity investments," said President O. B. Thornton of Montreal Trust.

The British committee pointed out that trustees in U. K. are for the most part "almost entirely limited to fixed income stock, which has been much reduced in value by inflation."

While report deals specifically with charitable trusts, it says there is no obvious case for treating charitable trustees on any different footing from other bodies of trustees on permissible range of investments.

"There is no indication that the inflationary tendency of currencies is likely to be reversed and this forms the major problem of the trustee, whose range of investment is confined to fixed interest money stocks," the report says. "The restrictions, intended as a safeguard, have become a source of danger.

"In the present insecure and fluid state of world affairs, considerable flexibility is necessary to enable trustees to meet rapidly changing conditions."

Equity stocks, the report notes, represent a share in companies' profits and assets, being thus linked to real values rather than money values, and contain possibilities of growth.

"The report supports the view taken by our company with a thought to increasing the power for trustee investments," J. K. Wedlake, Crown Trust Co. executive assistant, told The Financial Post.

"It is to be hoped that other organizations and governments might take recognition of it. The Ontario bill as proposed would be a definite step in the right direction."

So far there has been no indication of a revival of last year's unsuccessful Ontario Trustee Amendment Act.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

FANNY FARMER CANDY SHOPS, INC., New York, net profit of $591,137 for 1952 was 33.2% higher than 1951 net of $443,842.

While income from sales in the first five months of 1952 indicated peak volume for the year, the record temperatures which prevailed during June, July and August almost eliminated the earlier increase in sales.

Nine additional shops are scheduled to be in operation by midyear reports Chairman and President John D. Hayes. A few shops will be closed during the year.

"Results from the change in decor of Fanny Farmer shops and restyling of boxes and wrappings have been most gratifying," says Mr. Hayes, "and it is planned to continue this program during the coming year."

Annual meeting is April 16.

INCOME ACCOUNT

Years Ended Dec. 31:	1952 $	1951 $
Sales	17,494,351	17,003,441
Net earnings	1,142,042	800,417
Less: Tax reserve	550,905	356,575
Net profit	591,137	443,842
Less: Com. divds.	510,776	510,776
Co's shs. purch.	......	31,000
Surplus for year	80,361	*97,934

*Deficit.

Earnings per Share and Dividend Record:		
Com.: Earned	$1.74	$1.30
Paid	1.50	1.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$880,966	$761,406
Govt. & mun. bds.	281,639	276,011
Securities, less res.	177,576	177,576
Inventories	1,644,896	1,804,423
Total curr. assets	2,985,077	3,019,416
Prepd. def. chgs.	178,477	119,054
Fixed assets*	4,243,062	4,055,764
Total assets	7,411,616	7,194,234
Accts. pay.	101,999	264,625
Taxes pay.	761,907	549,903
Misc. reserves	95,087	91,100
Total curr. liab.	958,993	905,628
Capital stock	763,822	763,822
Surplus	5,688,801	5,524,784
*After depr. of	3,478,443	3,262,365
Working capital	2,026,084	2,113,788

CHICOUTIMI, QUE., School Commission has sold $125,000 4% bonds due March 1, 1954-60, and $54,500 4½% due 1961-68, to La Corporation de Prets de Quebec, J. E. Laflamme Ltd. and Grenier Ruel & Co. at 97.92. Net cost 4.67%. Proceeds for construction of school and nuns' residence. Provincial grant of $111,710 payable in seven annual installments. Net funded debt in Dec., 1952, $101,700; population in 1952, 5,000.

Beneficial Loan Corporation

and Subsidiaries

Report for 1952

Beneficial Loan SYSTEM

RESULTS AT A GLANCE

Eighth Consecutive Year of Progress

	1952	1951
Net Income	$12,632,220	$12,479,331
Common Shares Outstanding	3,444,898	3,222,293
Net Income per Common Share	$3.62	$3.80
Cash Dividends paid per Common Share	$2.10	$2.00 (a)
Instalment Notes Receivable	$277,630,328	$250,482,062
Average Balance per Note Receivable	$232	$224
Number of Offices	755	710

(a) Plus dividend of 5% in Common Stock of Company declared in 1951 and paid in 1952.

The information contained herein should be read in conjunction with the financial statements and notes appearing in the 1952 Annual Report to Stockholders, a copy of which will be furnished upon request.

Behind Beneficial Loan Corporation's record of service and achievement stand more than 22,000 stockholders who furnished the risk capital for this business to carry on its important work of helping the family.

The 755 offices of the Beneficial Loan System in the United States and Canada make small loans to hundreds of thousands of families enabling them to meet financial emergencies without hardship and without loss of personal dignity. "A Beneficial Loan is for a beneficial purpose."

Beneficial Loan Corporation

WILMINGTON, DELAWARE

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They Point Career Way For Teeners

How 14 Industries Using Film Strips For Job Guidance

By PETER NEWMAN

In a unique effort to stimulate career interest at a time when it is most needed, 14 of Canada's major occupational groups have joined hands to help high school students ask better questions about their futures—and to provide them with better answers.

More than 16,000 film strips depicting the work atmosphere and employment details of the most important Canadian industrial occupations have already been distributed to schools and vocational guidance agencies across the country. More and more employers are joining the parade.

It's a scheme designed not only to help students make their choice, but also to save time and money of companies that may employ them. Each presentation contributes to a youngster's appreciation of the advantages and drawbacks of a type of career. By knowing what to expect in advance, he doesn't waste his time and the company's resources finding out that he's not fitted for that kind of employment.

The film strips—and planned discussions which follow — provide a wide range of industries with a chance to tell their story and an opportunity of attracting new blood into their enterprise—and the possibility of bringing in the right type of people—newcomers who won't throw up their hands in six months exclaiming: "This isn't what I thought it would be."

Education Stressed

All the features stress the importance of a good secondary education throughout life, pointing out the mistake of leaving high school before successful completion.

Each strip is accompanied by a booklet giving further details about job opportunities and providing teachers with an appropriate commentary. Frames are produced in black and white so that a darkened room is not required. This way a proper teaching situation can be preserved.

The silent films contain about 45 frames and are designed to fit into standard 40-minute school period. This media was chosen to facilitate class discussion while all pupils are watching the same picture.

"We are trying to provide a comprehensive visual survey for vocational guidance directors at the secondary school level. Eventually they will be equipped with an industry-wide, stimulating tool for helping students take their first step into the business world," says S. A. MacKay, Educational Director of Associated Screen News Ltd., Toronto, producers of the films.

The idea was born following a meeting between MacKay and J. H. Stewart, a Toronto vocational guidance teacher. No adequate methods of showing Canadian job opportunities to students were then available. Most of the visual material in use was made in U. S.—much of it inapplicable to Canada. Main reason for the lack was that production costs far out-distanced possible returns.

But MacKay and Stewart set out to show business and industry that their scheme could not only offer insight to the young job-hunter, but would also effectively tell the industry's story to an interested audience.

Working mainly through trade associations, they succeeded in selling their idea and began planning presentations. MacKay produced the films, Stewart wrote accompanying commentary. Industry authorities co-operated in pointing out what aspects of their operations should be emphasized.

One film strip, sponsored by Queen's University, Kingston, concentrates on no particular employment channel but tries to sketch the behind-the-scene details of university education and campus life.

Subjects Available

Right now, all of the film strips and accompanying booklets are available without charge to any school or vocational guidance agency. Only exceptions are "Careers in Canadian Medicine" and "Careers in Canadian Journalism" for which cost charges must be paid, because of limited budgets.

Here's a brief description of each of the film strips now available, giving the sponsoring association or company and an outline of job aspects shown:

ACCOUNTANCY: Presented by the Institute of Chartered Accountants of Ontario, a brief review of the facts of an accountant's life is featured. A discussion of training procedures is followed by a section on the advantages of professional status.

BANKING: Under the auspices of the Canadian Bankers' Association, the importance of the bank as a community institution and many facets of its daily functions are shown. Individual jobs of bank employees are discussed, with mention of the advantages and limitations of a banking career.

DENTISTRY: Under sponsorship of the Canadian Dental Association, the dentist's role in the community, his economic rewards, and character qualifications are depicted. University dentistry training is traced from the registration interview to graduation day.

INSURANCE: Careers in Canadian Life Insurance Underwriting, is sponsored by the Canadian Life Insurance Officers Association, Toronto. Following a discussion of the basic concepts of life insurance, a typical day in an agent's life is presented, emphasizing various sales techniques and desirable aptitudes. Also covered is the Chartered Life Underwriter study program.

JOURNALISM: Sponsored by The Telegram, Toronto, here's a review of the working of a metropolitan daily. A news story is followed from original interview until it appears in the edition, different departments are shown at work following their "beats," qualifications, training and the credit and debit side of reporting are depicted.

MEDICINE: A presentation of the Canadian Medical Association, this strip reveals the facts of a doctor's life. Both advantages and disadvantages of practicing medicine are pointed out, with special mention being made of working conditions and qualification training. Various types of medical careers are discussed; 10 channels of putting doctor's training to work are depicted.

MINING: Under the sponsorship of the Canadian Metal Mining Association, surface and underground mining operations are pictured with emphasis on the many different types of work involved. After tracing the making of a mine, a series of scenes shows the highlights of life in a mining community.

PHARMACY: Presented by the Canadian Foundation for the Advancement of Pharmacy, this film strip features 12 employment fields open to the graduate pharmacist. Duties and responsibilities of the retail "druggist" are shown and different aspects of training in pharmacy discussed.

RAILROADING: Here's a step-by-step review of most railroading jobs from lineman right to the top of the ladder. Requirements for each level are noted against a general background of the importance of railways to Canada. This strip is put out through the co-operation of the major railway companies in the country.

RETAILING: Put out by the Canadian Retail Federation, miscellaneous opportunities at all levels of retail merchandising are presented. Besides selling, outlined are roles of the credit manager, the display man, the advertising department, and the department store executive.

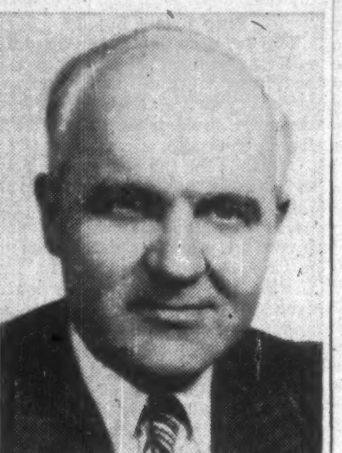
STENOGRAPHY: Presented by Underwood Ltd., this film strip takes a typical secretary from typing school to her employment interview and through a variety of positions. Foundations for success, rewards and promotions and desirable work attitudes are described.

TELEPHONY: Divided into two parts, this presentation sponsored by Bell Telephone Co., gives the details of communications careers for men and women. Throughout the strip stress is placed on employee responsibility of giving cheerful service to the public.

THE UNIVERSITY WAY: Offered by Queen's University, Kingston, Ont., this provides the high school student with a detailed look behind the scenes of higher education. Different teaching methods are demonstrated and typical after-class activities shown.

TEXTILES: Canadian Careers in Textiles is sponsored by the Primary Textiles Institute, Montreal and Toronto. It shows the place of textiles in the Canadian economy, explains basic manufacturing operations, and points to employment opportunities. A special section on the Provincial Institute of Textiles, Hamilton, is featured.

GENERAL MANAGER
UNIVERSAL COOLER
COMPANY



J. P. SCOTT

J. P. Scott has been appointed General Manager of Universal Cooler Company Limited, manufacturers of electric refrigeration products, Brantford, Ontario, in accordance with announcement made by Mr. Dan. Robertson, Company President. Prior to taking over his new appointment, Mr. Scott was Vice-President and General Manager of Sales for the A. J. Lindemann and Hoverson Company, manufacturers of household appliances, Milwaukee, Wisconsin. He also served as Director of Sales for a number of years with the Universal Cooler Company, Marion, Ohio, and, prior to his associations with this Company, held Sales Executive positions with Bendix Home Laundry Incorporated and the Nash Kelvinator Corporation.

"Mr. Scott's long and varied experience with the refrigeration and appliance industry qualifies him admirably for his new responsibilities at Universal Cooler," Mr. Robertson stated.

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In 1940, our operations accounted for a business turnover of $446,000. In 1952, customer preference in financing the **LAURENTIDE** way, accounted for a turnover of $19,121,185.

Laurentide Acceptance Corporation Ltd.
MONTREAL QUEBEC SHERBROOKE ST. JEROME

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E. White, Manager of Muirhead Forwarding Limited, Winnipeg, Manitoba says, "We find that our Butler built warehouse gives us durable and rugged protection against the hazards of fire and weather, with the unimpaired storage space so necessary to our business."

Butler Buildings give you fire-safety, weather-tightness, long, trouble-free service with practically no maintenance. They're up in a hurry, easily insulated, adaptable to fit your needs.

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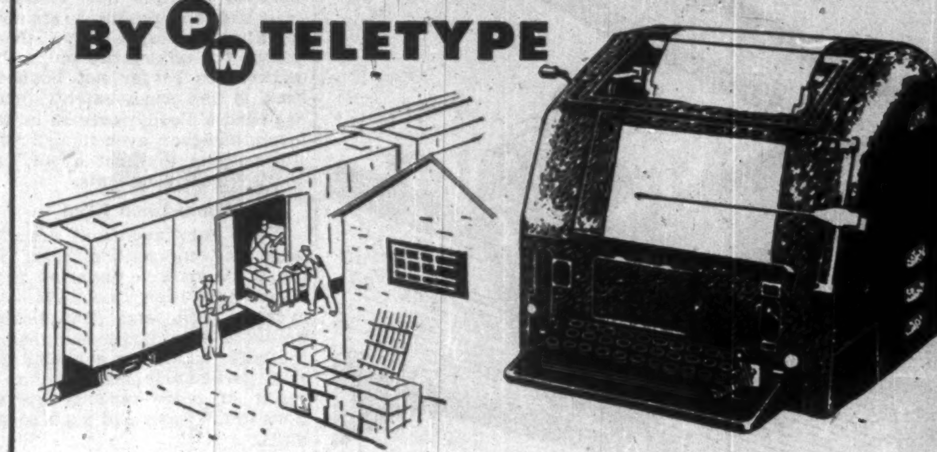

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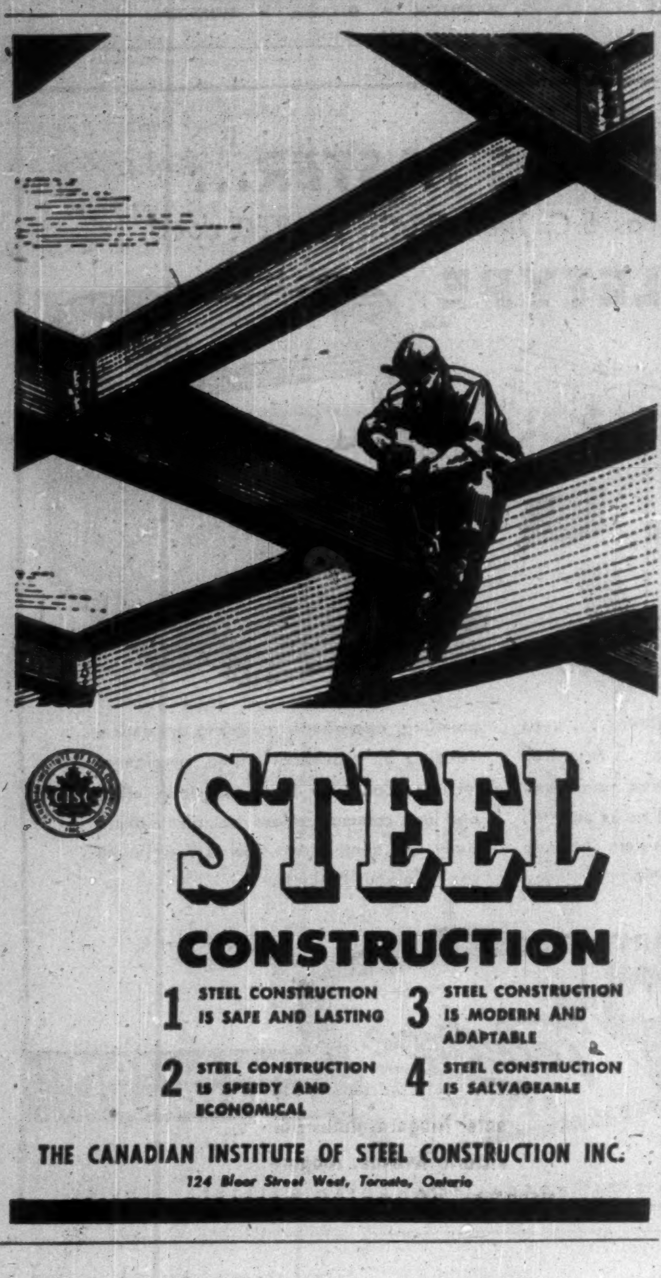

Pulp Demand Firms Some But Prices Staying Down

MONTREAL (Staff) — Second quarter prices for Canadian wood pulp, when they are announced shortly, are expected to show little if any change from existing levels, trade sources report. Pulp demand has improved but is still quite soft for some grades, while Scandinavian producers are continuing to sell in the U. S. market at prices ranging from \$10-\$15 a ton less than those quoted by Canadian mills.

Shipments of pulp from Canada to the U. S. have been running at higher levels than in late 1952, although they are still down from a year ago, and sales are much steadier than they had been, it's stated. Most pronounced improve- in pulp demand has been for bleached sulphite and bleached kraft and some producers are now operating at capacity on these grades. For unbleached pulps, the market has so far not bounced back to the same extent; there has been a steady increase in demand, however, even though "it's still nothing to shout about," as one producer comments.

Competition Keen

World pulp inventories are still large and competition keen. In the U. S. market, Canadian producers have been up against both overseas pulp and domestically produced pulp; larger amounts of the latter have been available for sale, particularly last year, as a result of below-capacity operations in the paper and paperboard mills.

In this competition for U. S. business, Canadian mills fared somewhat better than overseas producers in 1952. Imports from Canada were off 17.8% from 1951, while those from "other countries" (mainly Scandinavia) dropped by 25.7%.

The Scandinavian producers had suffered much larger declines in the first half of the year, ranging from 26.6% to 89.2% for various grades from a year earlier. But they succeeded in improving their relative position substantially in the last six months as a result of price slashing which in some cases undercut Canadian mills' quotations (the Scandinavians' prices had been much higher than the Canadians').

Pulp Prices Steady

Market pulp prices of Canadian mills have been steady since the beginning of the fourth quarter of last year. At present levels, they are down from 15% to 30% from a year ago.

Reasons for the current pick-up in business, which started late in 1952, include better demand for paper and paperboard, improved inventory positions and a pick-up in the textile industry. In the U. S., for instance, paperboard production has been running at about 4%-6% below capacity, compared with a rate about 15%-20% below capacity during the first three quarters of last year. Paper output below the border this year has been averaging around 5%-7% under capacity, which is slightly below the figures of a year ago but up substantially from the final nine months of last year.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN OIL COS. consolidated net profit of \$1,253,414 for 1952 was 9% higher than 1951 net of \$1,148,861.

Total value of sales was \$48,930,-587, up 14.7% from previous year's \$42,891,000. Volume of products marketed was 22.8% greater at 204,-228,921 gallons.

Operations of company's new Sarnia refinery, opened Sept. 25, 1952, yielded such products as propane, butylenes and certain refinery gases not previously marketed by company. In addition, substantial quantities of heavy fuel oil became available.

During the year, company processed 3,697,000 bbls. of Canadian crude oil. Of this, 139,000 bbls. were processed at company's Petrolia refinery, which ceased operations in March and was sold in December.

Expenditures on the new refinery in 1952 totaled \$14,383,000. Other capital expenditures amounted to a net total of \$1,796,000.

To effect distribution economies, reports President W. Harold Rea, larger storage facilities were installed at a number of retail outlets and trucks with greater carrying capacity were employed. Capacity of Parry Sound, Ont., marine terminal was increased 200% and additional tankage erected at Toronto and Hamilton terminals.

Completion of the extension of Interprovincial Pipe Line to Sarnia, scheduled for next December, means that the company's refinery will be able to take daily deliveries of crude oil, says Mr. Rea. As this will permit accelerated production without the need of an inventory of crude oil for the closed navigation season, company has cancelled plans for additions to its crude oil tank farm.

Extension of pipeline also obviated necessity for a large crude oil tanker which was already under construction. After arranging to settle its obligation in connection with this tanker for \$1.5 million, company sold 6,200 shares of Interprovincial Pipe Line Co. in January, 1953, to discharge the obligation.

Company expects to process six million barrels of crude oil in 1953, says the president.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net income	\$5,386,446	\$3,622,923
Less: Deprec. res.	2,175,467	1,244,751
Bd. & deb. int.	508,827	199,904
Inc. tax res.	1,235,100	1,145,000
Preprod. exp.	350,453	......
Add:		
Prof. on prop. sale	136,818	115,593
Net profit	1,253,414	1,148,861
Less: Pref. divds.	450,000	450,000
Com. divds.	500,000	500,000
Surplus for year	303,414	198,861
Times Interest Earned:		
Before deprec.	10.59	18.12
After deprec.	6.31	11.90
Earnings per Share and Dividend Record:		
Preferred	\$15.67	\$14.36
Paid (8%)	8.00	8.00
Paid (5%)	5.00	5.00
Paid (4%)	4.00	4.00
Common	0.80	1.40
Paid	0.50	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	\$3,433,778	......
Accts. rec.	4,815,419	\$3,418,802
Inventories	10,040,162	7,560,744
Total curr. assets	18,289,359	10,979,546
Misc. assets	4,281,378	3,276,888
Constr. funds	......	7,244,341
Fixed assets	38,034,610	36,341,907
Total assets	60,605,347	57,842,682
Bank adv.	......	824,886
Accts., etc., pay.	8,409,109	4,324,517
Taxes pay.	810,806	814,517
Total curr. liab.	9,219,915	5,963,920
Funded debt	32,200,000	20,462,000
Deprec. res.	......	12,312,230
Invent. res.	......	280,000
Mtge. pay. & def. liabs.	1,189,646	1,277,596
Capital stock	13,846,932	13,846,932
Surplus	4,148,854	3,700,004
Working capital	9,069,444	5,015,626

ADMINISTRATION & TRUST CO. net profit of \$119,981 for 1952 was 2.2% higher than 1951 net of \$117,430.

Gross operating income was \$592,-375 (\$576,092 in 1951), while general expenses totaled \$369,806 (\$325,211).

	1952	1951
Liabs. to pub., etc.*	\$10,821,227	\$10,516,308
Shareholders' equity	1,943,572	1,919,092
*Secured by:		
Mortgages	1,404,760	1,331,803
Furn. & fixtures	18,465	20,450
Liquid assets	11,341,574	11,083,147
Total	12,764,799	12,435,400
Including stocks and bonds.		
Estates account	139,835,321	149,183,693
Net profit	119,981	117,430
Earned per Share	\$2.51	\$2.46
Paid	2.00	2.00

MARITIME TELEGRAPH & TELEPHONE CO.'s 1,149,959 \$10 par common shares and 150,000 \$10 par preferred shares have been listed on the Montreal Curb Market, Ticker symbol is MTT.

Spark Original Wraps Through Canada Package Design Forum

Canada's packagers are going to show Canadian merchandisers and manufacturers how to improve sales appeal through packaging.

In a half-day package design forum, to be held in Toronto March 26, packaging experts will discuss commercial package design and production for the benefit of Canadian executives engaged in sales, advertising, purchasing and general design.

"The proper background information on package and label design and container engineering has a direct tie-in with our expanding economy and the resulting profits at the manufacturing, distributing and retailing levels," declares Clair Stewart, art director of Rolph Clark Stone Ltd. and chairman of the sponsoring committee of the Packaging Association of Canada.

Underlying theme of the meeting will be to stimulate original designs by Canadians in the packaging field.

A highlight of the meeting will be the presentation of awards won by Canadian manufacturers in the 1952 Consumer Package & Industrial Container Design competitions.

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WALTON H. HOHAG, Jr.

as Vice President, Director and General Manager effective March 17, 1953

Mr. Hohag, Jr. until recently was a Director, Vice President and Manager of Exploration of Socony-Vacuum Exploration Company

Banff Oil Ltd.
Head Office: 809 Eighth Ave. West, Calgary, Alberta, Canada

MANAGEMENT CONSULTANTS

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Supervisors G. B. Bailey, V. S. Corbet, R. H. Grant, H. B. Guilfoyle, R. O. Moore, G. M. McGregor, R. J. Shirley, A. R. Neufeld, D. B. Watson, R. C. A. Waddell, R. L. Wright

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THE INVESTMENT FUNDS

Corporate Investors Adds Steels, Reduces Mines

Shares of 10 mining companies were among the 12 common stocks eliminated from the portfolio of Corporate Investors Ltd. in 1952. Of the 21 common stockholdings increased during the year, seven were shares of companies in iron, steel and other heavy industries.

Additions were also made to three preferred and Class A stockholdings. New stocks purchased in 1952 included 1,000 Abitibi $1.50 preferred, 250 Loblaw Class A, 1,300 Canadian Wirebound Boxes Class B, 1,000 Maple Leaf Milling common, 1,000 Canadian Canners, 1,000 Russell Industries and 400 Trans Mountain Pipe Line.

In addition to sale of the 12 commons, Corporate Investors eliminated two bondholdings and seven preferred and Class A stocks. Holdings of one Class A and one common stock were reduced.

Shares outstanding at Dec. 31, 1952, totaled 993,433, compared with 978,750 a year earlier.

Here is year-end distribution of portfolio's investments, based on cost:

	Bonds	Pref.	Com.
	—% of Total—		
Govt. of Can.	5.2	...	...
Prov. guaranteed	1.0	...	...
Banks & financial	..	.8	6.2
Chem., oils & rubber	.6	1.0	5.5
Construction	..	.9	2.9
Containers	..	1.6	3.1
Foods, grains & mill'g	..	3.5	4.2
Iron & steel	..	3.8	10.4
Merchandising	..	1.5	2.7
Mining, gold & base metals	.7	.5	12.6
Public utilities	.7	8.3	4.8
Pulp, newsprint & fine paper	..	2.1	7.4
Textiles & leathers	..	.4	2.7
Transport. & motors	..	...	3.9
Sundry	..	...	1.0
	8.2	24.4	67.4

Total market value of the account was $5,637,249 at Dec. 31, 1952, down 1.4% from $5,761,816 a year earlier. Of this $332,318 ($360,823) was in bonds, $1,102,127 ($1,291,004) in preferred stocks, $4,165,487 ($4,033,597) in common stocks, and $37,317 ($31,393) in dividends receivable.

Here is Corporate Investors' portfolio at Dec. 31, 1952, and changes since Dec. 31, 1951:

	No of shares or par value at Dec. 31/52	Change Since Dec. 31/51
GOVERNMENT SECURITIES		
Govt. of Can. 3% 1963	$200,000	......
Do. 2¼% 1956	25,000	......
PROVINCIAL GUARANTEED SECURITIES		
H.E.P.C. of Ont. 3% 1970	$25,000	......
Do. 3% 1969	25,000	......
OTHER BONDS		
Barvue M. Ltd. 5% '56	$25,000	......
Braz. Traction 4¾% 1970	25,000	......
Do. 4½% 1971	5,000	......
C. South. Oils 2-5% '61	25,000	......
BANKS AND FINANCIAL		
Traders Fin. 4½% pfd.	350	......
Bank of Montreal	1,000	......
Bank of Nova Scotia	1,250	......
Bank of Toronto	1,250	......
Can. Bank of Comm.	750	......
Chartered Trust Co.	535	......
Dominion Bank	750	......
Imp. Bank of Canada	1,250	......
Manufacturers Life Ins.	25	......
Royal Bank of Can.	1,000	......
Traders Fin. A	1,500	+500
MERCHANDISING		
Can. Safeway 4½% pfd.	100	......
Do. 5% pfd.	100	......
Cassidy's Ltd. pfd.	300	......
Loblaw Groc. A	250	+250
Western Grocers A	150	......
Ashdown Hdwre. B	1,000	......
Dom. Stores com.	8,500	+500
Loblaw Groc. B	750	+500
Nat. Grocers com.	1,250	......
FOODS, GRAINS AND MILLING		
Acadia-Atlantic Sug. A	2,000	......
Do. 5% pfd.	250	......
Blue Ribbon 5% pfd.	650	......
B. C. Packers A	2,500	......
Can. Packers A	1,300	—200
Acadia-Atlantic S. com	2,000	......
Can. & Dom. Sug. com.	1,500	......
Can. Malting com.	750	......
Can. Packers B com.	1,050	+250
Fanny Farmer com.	1,000	......
Lake of the Woods com.	1,000	......
Laura Secord com.	2,000	......
Maple Leaf Mill. com.	1,000	+1,000
PULP, PAPER AND NEWSPRINT		
Abitibi P. & P. $1.50 pf.	1,000	+1,000
Brown Co. 1st pfd.	600	......
Eddy Paper A	1,500	......
Cons. Paper com.	3,750	+750
Gt. Lakes Paper com.	6,000	......
Price Bros. & Co. com.	3,000	......
FINE PAPER		
How. Smith Paper com.	6,725	......
Moore Corp. com.	2,000	......
MINING, BASE METALS, ETC.		
Aluminum of C. 4% pf.	800	......
Aluminium Ltd. com.	3,000	*
Asbestos Corp. com.	8,000	+1,000
Cons. Mng. & Smelt.	2,500	▪
Hud. Bay M. & S. com.	1,000	—500
Internat. Nickel com.	4,000	+500
East Malartic Mines	1,000	......
East Sullivan Mines	2,000	......
Kerr-Addison G.M.L.	500	......
Lamaque G.M.L.	600	......
McIntyre Porc. Mines	100	......
Noranda Mines	1,500	......
Quemont Mines	500	......
Sigma Mines (Que.)	500	......
West. Leaseholds	1,000	......
CHEMICALS, OIL AND RUBBER		
Can. Oil Cos. 5% pfd.	200	......
Dom. Tar & Chem. pfd.	500	......
Nat. Drug & Chem. pfd.	1,500	......
B. A. Oil com.	2,700	......
Can. Ind. Ltd. com.	750	......
Can. Oil Cos. com.	2,000	*
Dom. Tar & Chem. com.	1,500	+500
Goodyear Tire com.	500	+100
Imp. Oil Co. com.	550	......
McColl-Front. com.	1,500	......
Supertest Pete. ord.	1,000	......
Trans Mtn. Oil com.	400	+400
CONTAINERS		
Can. Foils A pfd.	1,200	......
Can. Wirebound Box. A	2,000	......
Do. B	1,300	+1,300
Can. Canners com.	1,000	+1,000
Dom. Glass com.	500	......
Hinde & Dauch com.	3,500	+1,000
CONSTRUCTION SUPPLIES		
Brantford Roofing A	2,000	......
Can. Cement pfd.	500	......
Bldg. Products com.	2,000	+250
Gypsum, L. & A. com.	3,000	+1,000
PUBLIC UTILITIES		
Anglo-Can. Tele. 4½% pfd.	1,000	......
B. C. Electric 4¾% pfd.	500	......
B. C. Power A	2,500	......
Gatineau Pwr. 5½% pf.	600	......
Internat. Pwr. 5½% pfd.	200	......
South. Can. Pwr. pfd.	400	......
Un. Fuel Invest. A 6%	1,500	......
Braz. Traction com.	6,000	......
Consumers Gas of Toronto com.	1,000	§
Gatineau Power com.	2,000	......
MacLaren P. & P. com.	500	......
Shaw. W. & P. com.	2,500	......
Union Gas of Can. com.	1,500	......
IRON AND STEEL AND OTHER HEAVY INDUSTRIES		
Dom. Coal pfd.	1,500	......
Gen. Steel Wares 5% pf.	100	......
Internat. Metal Ind. A	2,500	......
Toronto Iron Works A	2,000	+500
Beatty Bros. com.	1,000	......
Can. Wire & Cable B	1,000	......
Can. Bronze com.	3,000	+1,000
Can. Iron Fdries com.	1,000	......
Dom. Steel & Coal com.	3,000	+500
Gen. Steel Wares com.	3,500	+1,000
Massey-Harris com.	8,000	+500
Montreal Locomo. com.	1,000	+750
Nat. Steel Car com.	2,000	+1,000
Page-Hersey Tubes com.	1,000	+500
Russell Indust. com.	1,000	+1,000
Steel Co. of Can. com.	1,500	......
TEXTILES AND LEATHERS		
Brantford Cordage A	1,000	......
Can. Celanese com.	2,750	+750
Cosmos Imp. com.	4,000	......
Dom. Textiles com.	1,000	......
Harding Carpets com.	1,000	......
J. Lang & Sons com.	750	......
TRANSPORTATION AND MOTORS		
C.P.R. com.	5,000	+1,000
Ford Motor of C. com.	2,000	......
SUNDRY		
Imp. Tobacco	3,500	+1,000
SECURITIES ELIMINATED		
Hugh Owens Co. 5% 1963 bonds		$10,000
Traders Fin. 4% 1966 bonds		$15,000
Gordon MacKay & Stores A		200
Dom. Malting 5% pfd.		200
Purity Flour Mills pfd.		500
Brown Co. 2nd pfd.		1,000
Mailman Corp. 5% pfd.		150
Inter. Bronze Powders 6% pfd.		525
Davis Leather A		1,100
Inter. Paper com.		2,500
Standard Oil of N.J.		1,000
Aunor Gold Mines		1,000
Bralorne Mines		400
Cochenour Willans G.M.		1,000
Delnite Mines		1,000
Falconbridge Nickel Mines		2,000
Lake Shore Mines		500
Macassa Mines		1,000
Madsen Red Lake		1,000
Malartic Gold Fields		1,000
San Antonio Gold Mines		1,000

*Adjusted for 2-for-1 stock split.
▪Adjusted for 5-for-1 stock split.
§Adjusted for 10-for-1 stock split.

DOLBEAU, QUE. has sold $62,000 4% bonds due Nov. 1, 1953-59, and $108,000 4½% due 1960-67, to J. E. Laflamme Ltd., La Corporation de Prets de Quebec and Grenier Ruel & Co. at 96.47. Net cost 4.94%. Proceeds for waterworks, sewers, road works, etc. Net funded debt at Dec. 31, 1952, $433,500; population in 1952, 4,500.

Leverage Adds One Common

Montreal (Staff) — Few changes were made in the portfolio of Leverage Fund of Canada Ltd. in the three months ended Jan. 31, 1953. Holdings in two common stocks were reduced, while one new common was added.

Portfolio changes were as follows:

Stocks:	Shares Held at Jan. 31	Change Since Oct. 31
Asbestos Corp.	2,000	—700
Can. Canners	1,000	—400
Placer Development	300	+300

A summary of net assets as at Jan. 31 showed the following:

Common & Pfd. Stocks:	% of net assets	
Agricultural implements	4.75	
Automotive	2.28	
Banks	3.16	
Base metals	15.35	
Construction	4.87	
Food	5.00	
Gold mining	5.91	
Merchandising	7.19	
Petroleum	5.55	
Public utilities	5.55	
Pulp & paper	14.11	
Rlwy. & rlwy. equip.	6.95	
Steel & steel fabricators	7.44	
Textiles	3.40	
Miscellaneous	12.18	
U. S. securities	5.14	
		106.06
Cash & receivable		2.69
Deduct—call loan		8.75
Total net assets		100.00

CPR Seeks Increase In Capital Stock; More Convertibles?

MONTREAL (Staff) — Shareholders of Canadian Pacific Railway are being asked to approve an increase in authorized $25 par ordinary stock capitalization from $450 millions to $500 millions. A special meeting on the proposal will be held May 6, with the annual meeting.

CPR has estimated its 1953-57 gross capital expenditures at about $475 million and large financing will undoubtedly be needed from time to time. At present, 13,805,699 ordinary shares are outstanding out of a total of 18 million authorized by shareholders, and convertible debentures now outstanding, if converted, would require the increasing of the number of outstanding shares to just over 16 million. Total number authorized by Parliament is 20 million.

Authority to issue the additional $50 millions of ordinary stock would be exercised in such amounts, it is proposed, on such terms and at such times as directors may from time to time decide.

Actually, there have been no direct offerings of CPR ordinary shares since 1929. Much of the company's recent financing, however, has taken the form of convertible debentures; three convertible issues are now outstanding. The last convertible isue ($35 millions in December) would require issuance of 1,050,000 ordinary shares if entirely converted on the basis of 30 shares per $1,000 debenture.

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BOOKS FOR BUSINESSMEN

STATISTICAL YEARBOOK, 1952, United Nations; Ryerson Press, Toronto; 554 pages; cloth, $7.50; paper, $6.

The UN Yearbook continues to afford a single ready source of reference for important facts on most of the countries of the world. It covers both government and business thoroughly, with some major reports on social and educational material.

* * *

MAKE YOUR BUSINESS LETTERS MAKE FRIENDS, by James F. Bender; McGraw-Hill Co. of Canada, Toronto; 250 pages; $4.50.

Dr. Bender bases his book on the belief that letters are "ambassadors of good will, personal envoys which reflect the personality of the writer and the reputation of his firm." His book contains many useful hints and examples.

* * *

HOW TO THINK ABOUT ECONOMICS, by Fred Clark and R. S. Rimanoczy; D. Van Nostrand (Canada) Toronto; 113 pages; $3.75.

The authors of two economic primers, "How to Live" and "Money," have attempted to remove some of the mysteries surrounding money, inflation, cost of living, job security, etc. Action charts spell out the simple principles of each of the points they discuss, and while some of the explanations may be oversimplified, they cannot help but clear up some of the foggy thinking on the economics of business. There is, for example, their definition of dividends: "That amount paid to the owners of a business as a reward for the use of the tools. Dividends are usually only a portion of the fifth cost of business. The balance of this cost is not paid out to the owners but is withheld from them and used to increase or improve the tools."

HOWICK, QUE. has sold $67,000 3% bonds due April 1, 1954-67, and $71,000 4½% due 1968, to Rene T. Leclerc Inc. at 91.93. Net cost 4.98%. Proceeds for waterworks, sewers and fire protection. Provincial grant of $20,000 payable in five annual installments. No other longterm debt; population in 1952, 700.

ELECTED DIRECTOR
EASTERN TRUST CO.

C. M. P. FISHER

At a meeting of the Board of Directors of The Eastern Trust Company held at Halifax Thursday, March 12, Mr. C. M. P. Fisher of Sackville, N.B., was elected a director. Mr. Fisher, a prominent New Brunswick businessman, is a Vice-President of Enterprise Foundry Co., Ltd., and President of Fred Pierce Ltd., of Sydney, N.S.

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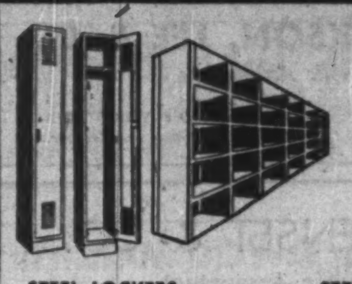

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POT-DE-NAZ

THIS EXAMPLE of one of Honoré Daumier's famous caricatures of bourgeois society first appeared in the French comic journal *Charivari*. The title of the picture is a pun on the name of the subject, Baron Joseph de Podenas.

Daumier, who was born at Marseilles in 1808, often modelled his subjects in clay before drawing them on lithographic stone. His satirical drawing of King Louis Philippe as "Gargantua", which was published in *La Caricature* led to his imprisonment for six months.

That Daumier's work continued to appear even after his imprisonment epitomises the traditional freedom of the Press in a free world. In contemporary times the caricaturist continues to satirise public figures with no hindrance except the censorship of good taste exercised by the Press itself.

Today the newspapers and journals of the free world, with their immense facilities for obtaining news and information, bring the searchlight of knowledge and comment to bear on world-wide affairs which otherwise might be conducted (and in countries where news is censored are so conducted) behind a curtain of secrecy. With a free press at his disposal no literate person need today be ill-informed.

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Tax Agreement Brings Changes In Ont. Acts

Ontario corporations tax regulations are being brought into line to reflect the new tax rental agreements with Ottawa, under provisions of Premier Frost's recent budget.

The Corporations and Income Taxes Suspension Act will be amended at the current session so that companies will not have to file returns under the Corporations Tax Act during the term of the tax rental agreement except possibly toward the end of the agreement.

Also to be changed is a provision on pension fund payments.

During the war, the Federal Income Tax Act was amended to allow deductions of special payments made by corporations to pension funds with respect to past services of employees. The payments were deductible so long as they did not exceed 10%, in any one year, of the total amount which had to be paid into the fund to make it actuarially sound.

Ontario, however, did not make a similar amendment in its Corporations Tax Act until 1950. This provided for the deductions over the years 1950 to 1954. By the tax rental agreement with Ottawa, companies affected by the 1950 amendment stood to lose three-fifths of the deductions that were coming to them.

But now legislation to be introduced this session will allow deductions for company fiscal years ending in 1947-51, rather than in 1950-54.

The Mortgage Tax Act is being abolished almost immediately. This Act authorized municipalities with 200,000 or more population to levy a tax not exceeding one tenth of 1% on mortgages or charges registered in a Registry or Land Titles office.

The Act was to have been abolished as of Jan. 1, 1954, but now will be repealed April 1, 1953. Toronto, Hamilton and London, the only cities affected, will be compensated for any loss in revenue in the April-December period.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ROLLAND PAPER CO. net profit of $265,830 for 1952 was 21.4% less than 1951 net of $338,324.

Demand for fine papers in both domestic and export markets decreased in 1952 reports President and General Manager Lucien G. Rolland, with the result that mills did not operate at full capacity throughout the year. There was a steady improvement in volume of orders booked in last three months of the year.

Capital expenditures totaled $213,740 in 1952. Further expenditures of $167,000 have been authorized.

Following the death of President and Director J. Pierre Rolland, his son, Albert Rolland, has been elected a director.

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net earnings	$921,758	$1,151,222
Less: Deprec.	275,928	317,648
Bond interest	55,000	57,250
Taxes res.	325,000	438,000
Net profit	265,830	338,324
Less: Pref. div.	72,250	72,250
Common div.	48,001	51,001
Surplus for year	145,579	215,073
Times Bond Interest Earned:		
Before deprec.	16.76	20.11
After deprec.	11.74	14.56
Earnings per Share and Dividend Record:		
Preferred	$15.64	$19.90
Paid	4.25	4.25
Common	3.23	4.43
Paid	0.80	0.60+0.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$470,479	$181,221
Accts. rec.	1,287,755	1,310,554
Inventories	1,127,773	1,549,667
Total curr. assets	2,886,007	3,041,442
Misc. assets	287,591	312,546
Fixed assets	2,546,307	6,566,765
Trademarks	500,000	500,000
Total assets	6,219,905	10,420,753
Accts., etc., pay.	777,991	1,055,840
Taxes pay.	294,189	334,389
Total cur. liab.	1,072,180	1,390,229
Funded debt	1,375,000	1,450,000
Deprec. res.	*	3,944,237
Capital stock	3,000,032	3,000,032
Earned surplus	772,693	636,255
Working capital	1,813,827	1,651,213

*Depreciation reserve of $4,170,353 deducted from asset in 1952.

CENTRAL TRUST CO. OF CANADA, Moncton, N.B., net profit of $30,081 for 1952 was 4% higher than 1951 net of $28,935.

Total assets rose to $18,763,688 compared with $17,562,824 in 1951, reports Vice-President A. H. Lamy.

Dr. N. A. Hesler has resigned as president and director.

	1952	1951
Liabs. to public, etc.*	$4,825,580	$4,703,925
Invest. res.	50,000	50,000
Shareholders' equity	503,191	446,429
*Secured by:		
Mortgages	2,582,620	2,741,201
Office premises	116,834	125,384
Liquid assets‡	2,679,317	2,333,769
Total	5,378,771	5,200,354
‡Includes bonds and stocks.		
Estates account	13,384,917	12,362,469
Net profit	30,081	28,933
Earnings per Share:†		
Earned	$0.83	$0.87
Paid	0.60	0.60

†Based on amount paid up on subscribed capital, part of which, during year, did not rank for dividends.

WESTERN PLYWOOD CO., Vancouver, net profit of $209,509 for year ended Oct. 31, 1952, was 50% less than previous fiscal year's net of $419,013.

The seven-week strike of west coast woodworkers was the chief factor in reducing company earnings, reports President John Bene. Wages continued to rise, while keen competition kept selling prices below those of previous year.

Company's sales of plywood were at an all-time high. From August, 1952, company operated at capacity and was able to sell all the plywood produced.

Difficulty was encountered in continuing disposal of byproducts, says Mr. Bene. Pulp mills now obtain enough chips from wood conversion plants which they control.

Company's Western Plywood (Cariboo) Ltd. had a loss of $122,189 after write off maximum depreciation of $221,776. Its Quesnel mill reached the production for which it was designed in June, and since then has exceeded this rate in routine production. It is hoped that subsidiary's earnings in the current year will wipe out its losses of the past two years, says the president.

For the parent company's products, demand and supply are expected to be in balance throughout the current fiscal year, says Mr. Bene.

INCOME ACCOUNT

Years Ended Oct. 31:	1952	1951
Sales	$4,305,986	$5,042,067
Net earnings	537,679	968,366
Less: Int., etc.	17,237	19,958
Deprec.	94,933	122,395
Inc. taxes	216,000	407,000
Net profit	209,509	419,013
Less:		
Class A divds.	40,000	40,000
Class B divds.	39,600	26,400
Surplus for year	129,909	352,613
Earnings per Share and Dividend Record:		
Class A	$2.62	$5.24
Paid	0.50	0.50
Class B	1.28	2.87
Paid	0.30	0.20

CONDENSED BALANCE SHEET

As at Oct. 31:	1952	1951
Cash	$48,698	$55,954
Accts. rec.	769,460	727,096
Inventories	783,687	991,330
Total curr. assets	1,601,854	1,774,380
Prepaid exp.‡	8,900	11,325
Invest. in subsid.	796,406	641,427
Misc. assets	23,708	21,053
Fixed assets*	1,260,315	855,817
Total assets	3,691,183	3,304,002
Bk. loans & overdraft	848,273	948,4[illegible]
Accts., tax., etc., pay.	459,162	462,02[illegible]
Other curr. liabs.	56,806	46,116
Total curr. liabs.	1,364,241	1,456,548
Mortgage pay.	3,385	3,806
Timber pur. agree.	400,000	......
Funded debt	250,000	300,000
Capital stock	180,500	180,500
Surplus	1,493,057	1,363,148
*After dept. & depl. of	821,879	721,306
‡Included in curr. assets in co's report.		
Working capital	237,613	317,832

YOU ASKED US

INVESTMENTS

Mid West'n Gas

Some time ago I purchased shares in Mid Western Industrial Gas. This was apparently a private offering and I would very much like to find out something about the company's plans. I believe the company has something to do with Sherritt Gordon Mines.

Mid Western Industrial Gas recently revised its contract with Sherritt-Gordon Mines for supplying gas to the new Fort Saskatchewan refinery of Sherritt and under the revised agreement there is a minimum guarantee of 2.8 billion cubic feet of gas a year as against 2 billion under the earlier agreement. There was also an upward revision in the price to be paid to around 12c per Mcf, we understand. The gas supply of Mid Western Industrial Gas is concentrated in the Fort Saskatchewan gas field and apparently the company's wells are all within about six miles of the refinery location. The company is reported to have available better than the minimum required reserve of 50 billion cubic feet of gas and there is stated to be actually indicated around 75 billion cubic feet.

Mid Western has secured its gas supplies under various agreements. Some is derived from the company's owned properties which are only subject to a 12½% royalty. Other gas is to be purchased from other companies at a price of 2½c to 3c a thousand cubic feet.

No work has yet been done on the pipeline for gas but it is understood that the company has recently completed an agreement for financing with three eastern Canada brokerage firms. The company has an authorized capital of four million shares of which about 1.7 million shares have been issued. We have no indication as to what form next financing will take. At the moment, we believe that the company has only a nominal financial balance. There is no debenture issue and it's possible that debentures as well as stock might feature the new financing but we have no details.

INCOME TAX

Insurance Proceeds

Are disability payments paid by an insurance company to an insured who paid the premiums thereon subject to income tax?

Are dividends on life insurance policies on one's own life taxable?

In each case the answer is No. The disability payments are considered indemnity, not income, and the life insurance dividends are considered a reduction in premium.

New Board Named For Barringham

E. Barringham, former president of Barringham Rubber & Plastics, Ltd., Oakville, Ont., has retired and Leo E. Ryan, executive vice-president of Monsanto Canada Ltd. has been appointed new president.

The Oakville company was purchased by Monsanto in April, 1952, and operates as a wholly-owned subsidiary. During negotiations leading to sale of his controlling interest to Monsanto, Mr. Barringham agreed to remain as president until the new owners became thoroughly familiar with all aspects of the business.

At the recent annual meeting of Barringham Rubber & Plastics, Arnold H. Smith, Leo E. Ryan and A. Monsaroff, president, executive vice-president and vice-president respectively of Monsanto were elected to the Board of Directors. Other Board members appointed were Felix N. Williams, a director and member of executive committee of Monsanto Chemical Co., St. Louis, Mo., and Robert Mueller, general manager of the plastics division at Monsanto Chemical Co., Springfield, Mass. At the directors meeting later, Leo E. Ryan was appointed president, A. Monsaroff, vice-president and J. Jekel, secretary-treasurer. Mr. Earl Moffat was appointed general manager.

TransMountain Peak Capacity Of 300,000 B-D

Studies are currently being carried on to ascertain the probable requirements of prospective shippers so as to determine whether a fourth pumping station will be necessary to provide an initial capacity of 150,000 bbls. a day, the first annual report of Trans Mountain Oil Pipe Line Co. states.

"Our present surveys indicate that by adding additional pumping stations, up to a total of perhaps 12 or 14, the pipeline can transport in the neighborhood of 300,000 b/d."

Expenditures incurred by the company in construction of its 24 in. 718-mile crude oil pipeline between Edmonton and Vancouver had amounted to $46,852,339 as of Dec. 31, 1952, president Robert L. Bridges stated. When completed the 718-mile system will cost approximately $92 millions. Construction of the pipeline has been proceeding according to schedule. As of end of 1952 approximately 45% of the job had been completed. Barring unforeseen developments the line should be completed this August and crude oil should reach Vancouver during October, the report states.

A branch line across the U. S.-Canadian border from Sumas to Laurel, Wash., and a lateral to Ferndale to serve a large new refinery being built there, will be about 30 miles long and will cost around $2,750,000. It will be constructed in summer of 1954 and be ready for operation by fall of 1954, when the new refinery is expected to be completed.

POWER CORP. OF CANADA reports $61,500 of debentures converted into 1,968 common shares, increasing total number of common outstanding to 451,229.

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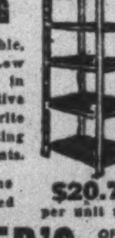
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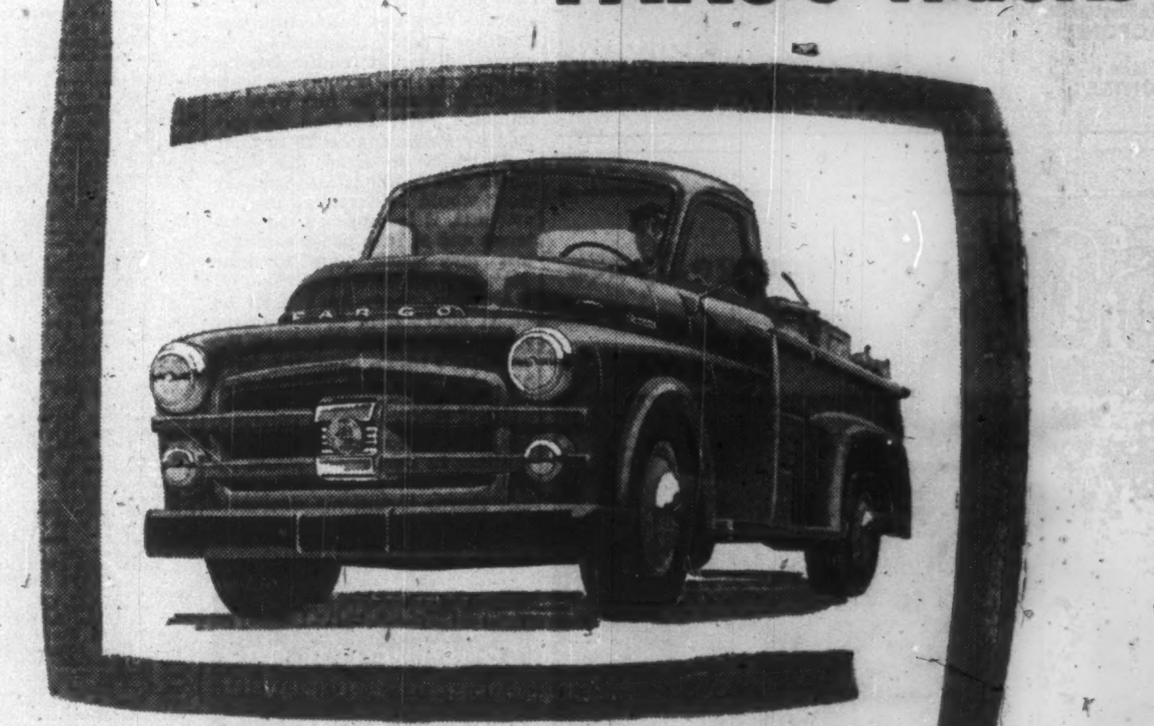
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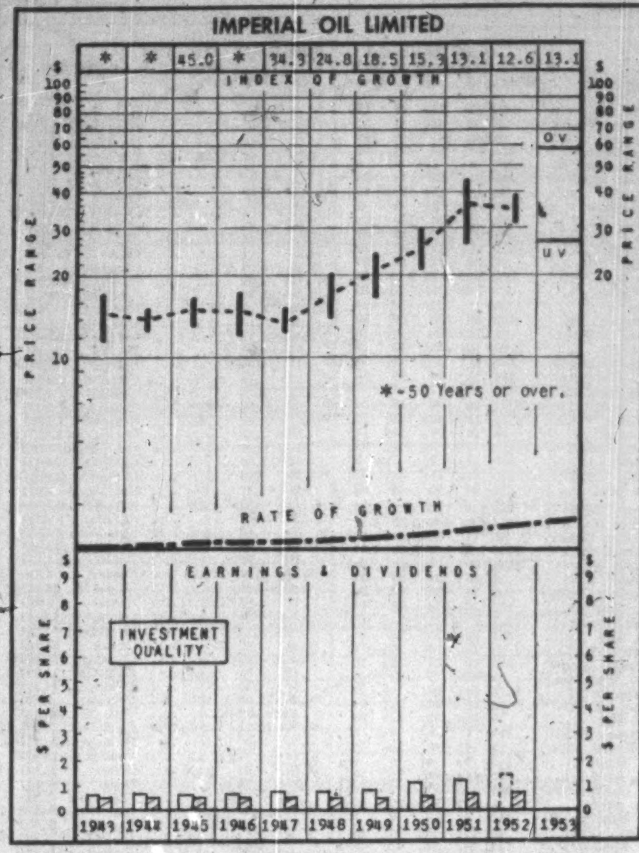
SELECTED GROWTH STOCKS

By NESTOR

Imperial Oil

Here is the twelfth in The Financial Post's exclusive series of Selected Growth Stocks, chosen by one of the continent's most prominent and successful investment advisers. Two companies will be discussed each week until the 26 stocks have been covered, after which they will be reviewed quarterly. The companies covered this week are two of ten "natural resource companies" in the selection.

Publication of this series in The Post does not constitute a recommendation to buy these stocks. Investors who have, or want to have, a stake in Canada's industrial growth will find the series interesting and useful, each article containing information and analytical comment which may be applied to stocks in their own portfolios or to other stocks in the same type of business.



REASONS FOR CHOICE: Operating as the largest and most fully integrated oil company in this country, Imperial has the outstanding record for oil discovery in western Canada. Reserves should continue to expand as active exploration progressively develops the company's choice 25 million acres (5/6 of an acre per share) in the Canadian oil basin.

Imperial Oil Ltd., incorporated in 1880, is the largest company of its kind in Canada. Directly or through subsidiaries, the company carries on an exploration for and production of crude oil; transports crude by ocean-going and lake tankers, pipelines and tank cars; operates nine refineries; and distributes and markets more than 800 petroleum products through approximately 1,500 bulk stations in Canada.

Imperial Oil has had a record of steady growth over the years, but the process has speeded up since World War II, particularly since Imperial's discovery of oil in the Leduc field in Alberta back in February, 1947.

Imperial's physical volume of sales in 1946 was about 70% ahead of 1930. The volume five years later was three times the 1930 level. Net profit in 1946 was about 10% below 1930. Net profit five years later was 85% above 1930 (in 1952, more than double).

A particularly significant post-war development has been the increase in the company's Alberta crude oil reserves — from 19 million bbls in 1946 to an estimated at 1,000 million M.C.F. Its natural gas reserves are estimated a 1,000 million M.C.F.. Exploration and development expenditures in Alberta in the period 1947-51 totaled $141.2 millions, of which $40.5 millions was spent in 1951 and as much or more was expected for 1952.

In that five-year period, the company raised $264 millions for expansion and development, not including nearly $100 millions retained earnings. Of the sum raised, $122.9 millions came from sale of various investments, $58.3 millions from the issue of debentures and other borrowings, and $82.7 millions from issue of capital stock.

Total expenditures on plant and equipment in 1947-51 amounted to $217.6 millions. The 1952 total was expected to exceed $65 millions. At the end of 1951, Imperial held approximately 25 million gross acres of land in western Canada in lease, reservation and option forms, compared with total oil industry holdings of 168 million acres. Thus, in addition to holding about half the known Canadian oil reserves, Imperial has been leading in the exploration for new reserves.

The company continues to expand its refinery capacity, currently about 200,000 bbls daily. Its Montreal East refinery is having its capacity increased 25% to 58,000 bbls a day (46,000 now) at a cost of $10 millions. The additional output is expected to be available early in 1954.

A $13.5 million construction program at Imperial Oil's Ioco refinery at Vancouver is under way to raise capacity to 22,500 bbl daily from present 12,000 bbl. Completion is scheduled for late this year.

In the spring of 1954, the company expects to bring into production a 7,500-bbl-a-day fluid catalytic cracking unit, a vacuum distillation unit with 9,000-bbl daily capacity, and a light ends plant for recovery of gases. Cost of this modernization program is estimated at $7 millions, with total capacity expected to reach 22,500 bbls a day (20,000 now).

In November, the company's new $11 million products pipeline from Sarnia to Toronto was put into operation. The line carries products through the heavily populated industrial areas at London, Hamilton and Toronto. Through it flow gasolines, diesel oil, stove oil and furnace fuels.

All major operations of the company are believed to have been at record levels in 1952. On the basis of unaudited figures, earnings were estimated $41.1 millions ($1.38 a share) compared with $35.9 millions ($1.20 a share) in 1951.

The company is expected to benefit from the greater production of western crude oil which should result from completion next fall of the Trans Mountain Oil Pipe Line to the Pacific coast and the extension of Interprovincial Pipe Line's line from Wisconsin to Sarnia. Current estimates are that these lines will make it possible for a doubling of recent western average output of around 170,000 bbl daily. It will benefit also from any new markets for western natural gas.

The company since the war has benefited greatly from such things as the increase in the number of motor vehicles in operation in Canada, the greater number of homes heated by oil, greater farm mechanization. The rate of growth of these markets has slowed down, and demand has eased in relation to growing supplies, resulting in declines in prices of some products.

Here is a comparison of products sales and net profits since 1930:

	All Products (millions of bbls.)	Net profit (millions of dollars)
1930	23.5	19.0
1935	19.9	25.2
1940	28.8	17.6
1945	36.9	16.6
1946	39.4	17.3
1947	47.5	20.5
1948	52.0	22.8
1949	56.1	x25.1 (23.9)
1950	63.6	30.5
1951	71.8	35.9
1952	...	41.1

x—Consolidated in 1949 and after (unconsolidated 1949 net in brackets).

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1951 $	1950 $
Total income	504,786,935	432,485,607
Net earnings	83,544,085	63,779,678
Less: Depr. & depl.	15,980,059	15,286,198
Stk. issue exp.	432,336	......
Funded debt exp.	1,754,335	1,792,444
Other int.	850,598	929,683
Inc. tax res.	28,575,604	15,310,786
Net profit	35,951,153	30,460,567
Less: Dividends	17,636,998	14,923,613
Surplus for year	18,314,155	15,536,954
Earnings per Share and Dividend Record:		
Common: Earned	$1.20	$1.12
Paid	0.65	0.55

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1951	1950
Cash	$46,840,833	$15,968,601
Govt. bonds	48,398,615	42,806,843
Other secs.	10,902,224	4,059,791
Accts. rec.	56,446,195	47,074,353
Inventories	108,332,874	96,443,432
Total curr. assets	270,920,741	206,353,020
Def. chgs., spec. dep., etc.	§14,173,525	11,309,256
Misc. invest.	8,581,045	7,379,387
Fixed assets*	209,593,207	170,770,889
Total assets	503,268,518	396,014,552
Accts. pay., etc.	35,780,516	34,048,813
Res. for taxes	17,514,576	8,378,042
Funded debt due	1,970,868	1,012,122
Total curr. liab.	55,265,960	43,438,977
Funded debt	55,808,725	58,262,591
Oper. reserve	27,129,342	37,608,675
Capital stock	160,724,275	80,679,447
Capital surplus	67,222,821	67,221,622
Earned surplus	137,117,395	108,803,240
*After depr., depl. & amort.	151,555,576	138,594,343
Working capital	215,654,781	162,916,913

§Incl. $1,954,192 prep. exps. incl. under curr. assets in company report.

IMPERIAL OIL'S CAPITAL SETUP

	Authorized	Issued	Outstanding
2½% serial debents, due Dec. 15, 1953-59		$10,000,000	$9,000,000
3% s.f. debents., due Dec. 15, 1969		40,000,000	40,000,000
Common, n.p.v. shares	32,000,000 sh.	29,847,227 sh.	29,847,227 sh.

Directors: G. L. Stewart (president); J. R. White (executive vice-president), W. O. Twaits, F. G. Hall (vice-presidents); A. G. DeMont*, J. W. Hamilton, C. E. Carson, J. K. Jamieson, T. F. Moore, Toronto.

*Deceased.

How To Read the Charts

The charts covering the entire list of 16 Selected Growth Companies and 10 Selected Natural Resource Companies, are issued two each week so that, over a quarter, the entire list is presented. All Charts are on similar scales so that each stock is comparable with all others.

Explanations of the Charts follow:

INDEX OF GROWTH: (1) These figures, shown at the top of the Chart, indicate the rate, in terms of years and fractions of years, at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. Figures for years prior to the current year have historical value but it is the current year's figure that is of interest to the investor. A figure of 5.6 for the present year, to illustrate, would indicate that at its current growth rate the value of the equity behind the particular stock is doubling every 5.6 years.

PRICE RANGE: (Vertical figures in the upper half of the chart) The annual high, low and mean price—with monthly ranges given for the current year in order that the stock's price in relation to its Undervaluation or Overvaluation price level may be seen.

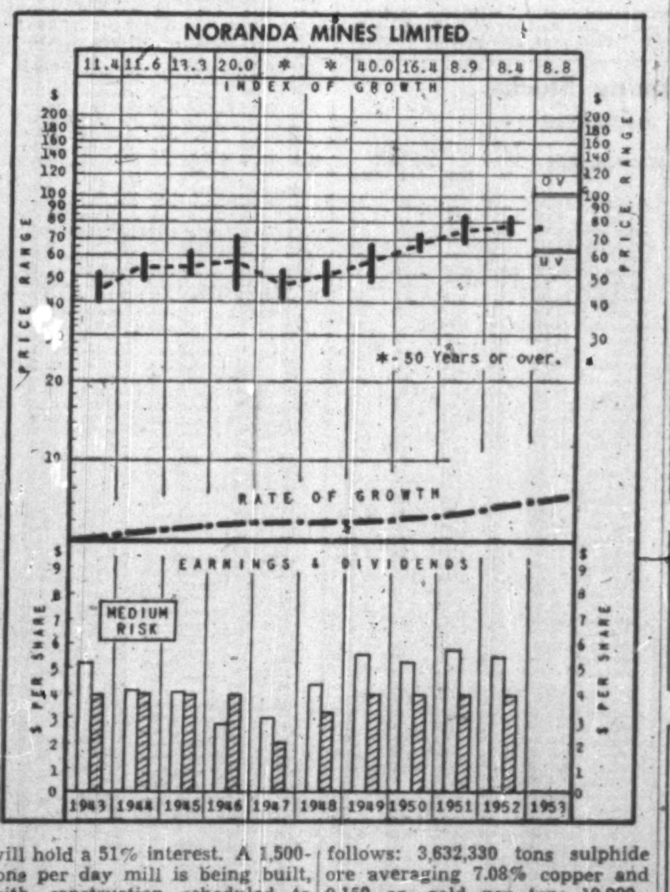
UNDERVALUATION and OVERVALUATION PRICE LEVELS: These price levels are shown by the use of narrow horizontal lines above and below the stock's price range. These are levels at which the price of the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock that is showing a fast-growth rate will sometimes anticipate growth by two or three years. Under such circumstances, it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. We use the words "may not be" in the preceding sentence because other factors, such as the rate of growth and the investment quality, will enter into the comparative value, from the investor's standpoint, of one stock as against another. By noting the most recent price of the stock, as shown on the charts and in subsequent daily quotations from the newspaper, and its position in relation to the "Undervaluation" or "Overvaluation" level, as shown on the Chart and in the statistical tables accompanying these studies, the investor can readily tell where a stock stands, pricewise, in relation to its projected growth rate.

If, for illustration, a stock's Undervaluation/Overvaluation figures for the current year are 50 and 100 and the stock is selling at 55, it would be adjudged a much better current value than if selling at 75. Without these Undervaluation and Overvaluation levels, a current quotation for the stock of 55 or 75, as the case might be, would carry no significance as concerns long-range value. Investors should keep in mind that these Undervaluation/Overvaluation levels are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figure in any given year. The levels are provided to permit judgment, as between one stock and another, when purchasing is being effected, as to which is discounting its future growth to the least extent.

RATE OF GROWTH: The rate, as based on our tests, at which the company is showing underlying, or long-term, growth. It is this factor that will determine the price trend of the company's common stock over a period of years and, in most instances, the trend of dividend payments.

Background and principles behind the selections by Nestor were discussed in a special article in The Financial Post, Jan. 10. A limited number of reprints are available on request.

Noranda Mines



REASONS FOR CHOICE: One of Canada's most important mining enterprises, Noranda is third in copper production and fourth in gold output. Active exploration for new reserves is under way and the company recently completed $30 million financing for development of huge copper deposits in the Gaspé area, for production of sulphur and iron from its large pyrite reserves, and for other development work. A large portfolio of investments is maintained, including a 44.5% interest in Kerr-Addison, leading Canadian gold producer. Diversification of the company's interests tend to moderate cyclical changes in earnings.

Main operations of Noranda Mines have centred on its famous Horne mine at Noranda, Que. where it operates a concentrator and smelter with a capacity of about 3,000 tons daily. Noranda also does a large custom business at its smelter for affiliated companies and others. It has controlling interests in several producing gold and base metal companies in Ontario, Quebec and Central America, minority interests in a great many others.

The company has under way a capital expenditure program totaling $35¼ millions, partly financed by a $20 million debenture issue sold late in 1952 and most of the balance through a $10 million revolving bank credit arranged with three Canadian chartered banks.

Biggest item in the capital expenditure program is $27¾ millions for development of Gaspé Copper Mines, a subsidiary in Holland township in the Gaspé region which has indicated reserves of low grade copper ore which totaled 67 million tons at June 30, 1952. This amount of ore would be enough for 30 years' operation at the scale now planned.

Construction has started on mine buildings and a townsite. Also included in the project are a concentrator capable of handling 6,500 tons of ore daily and a smelter. The mill is scheduled to be ready to start operating in the latter part of 1954. First shipments are expected to be made in the spring of 1955.

A second part of the company's current expansion program is a new sulphur-iron plant to be built at Welland, Ont. to treat pyrite ores from the Horne Mine. The plant will employ a process developed by Noranda to recover sulphur, sulphur dioxide gas and iron sinter from large pyrite ore reserves, estimated at 100 million tons containing 50% pyrite and low values in gold, silver, copper and zinc. The output of sulphur dioxide gas will go to the adjoining plant at Welland of North American Cyanamid Ltd. for production of sulphuric acid.

Noranda's Welland plant is expected to treat 100,000 tons of pyrite concentrate annually. From this, Noranda expects to produce elemental sulphur plus sulphur content in the gas equivalent to 54,000 tons of sulphur yearly. About 75,000 tons of premium grade iron sinter ore will be produced each year for sale to steel companies for "sweetening" low grade ores. Cost of the project, scheduled to go into operation in 1954, is estimated at $4 millions.

The third item in the capital program is the bringing into production of a zinc-pyrite property acquired from MacDonald Mines Ltd. Noranda has agreed to advance an estimated $3.5 millions to a new company in which it will hold a 51% interest. A 1,500-tons per day mill is being built, with construction scheduled to start this spring. Ore reserves are estimated at nine million tons averaging 78% pyrite and 3% zinc.

Ore reserves at the Horne Mine at the end of 1952 totaled 15,579,933 tons, down from 16,581,899 tons a year earlier and 17,547,900 at Dec. 31, 1950. The reserves at Dec. 31, 1952, were made up as follows: 3,632,330 tons sulphide ore averaging 7.08% copper and 0.159 oz. gold per ton; 10,999,450 sulphide ore averaging 0.66% copper and 0.195 oz. gold; 948,153 tons silicious fluxing ore averaging 0.09% copper and 0.122 oz. gold.

In addition, 1,550,000 tons averaging 0.126 oz. gold was estimated in the Chadbourne ore body adjoining the Horne claims on the

(Continued on page 28)

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THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING MARCH 20, 1953

Range 1952-53 High	Low	Div. R'te $	Y'ld Mar20 %	Company	Sales	Last Mar. 13	Week end. Mar. 20, 1953 H	L	Close
18½	12½	1.00	6.9	Abitibi	11190	14	14½	13½	14½
26	24½	1.50	5.9	Do. $1.50 pref	3765	26	25½	25½	25½
7½	5	.50	6.9	Acadia Atlan.	1500	7½	7½	7½	7½
101	96	5.00	5.0	Do. 5% pref.	10	97½	99½	99½	99½
18½	14½	1.20	6.7	Do. A pref.	860	18	18½	17½	18
11½	7	.40	4.7	Agnew Surp.	260	8½	8½	8½	8½
3.85	3.00	•	...	Alta. Con. Gas.	200	3.65	3.65	3.65	3.65
3.10	1.70	.	...	Albt. Dist.	3800	1.85	1.75	1.70	1.70
3.10	1.65	.	...	Do. V.T.	800	1.75	1.70	1.70	1.70
56½	42½	.	...	Algoma Steel	1845	42½	43½	42½	43
25½	22	1.00	4.4	Alum of Can p	875	23	23½	23	23
53½	46	a2.00	..	Aluminium	11779	50	51½	49	49½
18½	8½	a.40	..	Anglan Nat.	225	9	9½	9½	9½

Range 1952-53 High	Low	Div. R'te $	Y'ld Mar20 %	Company	Sales	Last Mar. 13	Week end. Mar. 20, 1953 H	L	Close
18½	16½	1.00	5.8	Labatt, John	265	17	17½	17	17½
37	28	1.60	5.2	Lake of Woods	75	33	33½	31	31
144	132	7.00	5.0	Do. pref.	15	140	141	140	140
14½	12½	.80	5.7	Laura Secord	640	14½	14	14	14
10½	7	.50	5.8	Laur. Accept A	200	8½	8½	8½	8½
22½	19½	††stk		Lawson & J A	135	27½	21	21	21
16	10½	††stk		Do. (B)	30	15½	15½	15½	15½
11	9	.60	6.6	Lewis Bros.	35	9½	9½	9	9
100	85	.	...	Lindsay, C W	30	85	100	100	100
39	29½	1.50	4.1	Loblaw A	460	37½	37½	37	37
39¾	29	1.50	3.8	Do. (B)	540	38½	39	38½	39
38	23	a1.00+§.25		Loblaw Inc.	25	36	37	37	37
3.50	2.60	§.15	...	Lon. Can. Inv.	325	3.40	3.25	3.25	3.25
3	1½	.	...	Lon. Hose	50	1.80	1.25	1.25	1.25
15½	12½	1.00	7.1	Lowneys	35	14	14	14	14

Range 1952-53 High	Low	Div. Rate $	Yield Mar 28 %	Company	Sales	Last Mar. 13	Week Ending Mar. 20 High	Low	Close
3.75	1.94	†.10	....	Castle Tre.	400	2.60	2.70	2.60	2.70
.28	.04	.....	....	Celta Dev.	6,500	.09½	.10	.09	.10
.23	.05	.....	....	Cen Man.	1,000	.15	.18	.18	.18
1.23	.62	§.05	....	Cen Pat.	15,875	.96	1.10	.96	1.10
.28	.16	.....	....	Cen Porc.	3,000	.18	.20	.18	.18½
.19½	.11	.....	....	Cent'que	7,000	.14	.14	.13	.14
.08	.03	.....	....	Century	2,500	.05½	.06½	.05	.05
.15	.04	.....	....	Cheskirk	200,000	.11½	.13	.10½	.12½
.66	.18	.....	....	Chesterv'le.	24,900	.42	.45	.40	.40
1.70	.70	.....	....	Chib Expl.	18,590	1.07	1.15	1.00	1.12
4.40	.14	.....	....	Chimo G.	721,960	3.60	3.85	2.55	2.95
8.20	4.25	.....	....	Chromium	100	4.25	4.25	4.25	4.25
.14½	.06	.....	....	Citralartic	64,275	.12	.13	.11	.12
2.30	2.15	.....	....	Cobalt Con	38,827	2.20	2.30	2.15	2.30
1.80	1.30	.....	....	Cochenour	1,593	1.35	1.39	1.35	1.39

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	Mar. 20 Bid	Ask
Acme Glove	..	6	5	6
Admiral Corp.	a1.00	28½	28½	28½
Agnew Surp. pf.	..	9½	9½	10
Amal. Elec.	.80+††.30	19.70	19.70	..
Ang. Can. Pulp	2.00	24	23	23½
Ashdown Hdw. A	.60	13	13	16
Assoc. T. & T. A	4.00	89½	..	..
Auto Electric	††.15	7½	9	10½
Do. A	.50	7½	7½	8
Auto Fabric B	††.05	2.00	2.00	3.00

	Div. Rate $	Last sale	Mar. 20 Bid	Ask
Price Bros. pref.	4.00	89	91	93
Quebec Telephone	..	8	8	..
Quinte Milk A	.60+§††.10	9	8½	9½
Do. B	††.10	3	3.10	..
R&M Bear. A	1.10+§.10	20	..	19
Ranger Brew.	..	20½	20½	..
Reitman's	††.10	10	9	10
Reliance Grain	..	.60	.20	..
Renold-Cov. A	1.10+††.05	10	..	..

Mining Stocks

Oil Stocks

— OIL STOCKS —

	Div.	Last sale	Bid	Ask
Candn. Prospect	...	6.00	...	7.00
Coastal	...	1.30	1.30	...
Commoil	†.20	4.20	4.20	4.20
Parker Drill.	...	6.00	5.75	6.00
So. West Pete.	...	.36	.41	...

*U. S. funds. †Paid or payable in 1953. §Paid in 1952.

Company Meetings

Date	Company	Place
Mar. 25	Guardian Insur. of Can.	Montreal
Mar. 25	Leitch Gold M.	Toronto
Mar. 25	London Can. Inv.	Montreal
Mar. 25	Mtl. Refrig. & Stor.	Montreal
Mar. 25	Shaw. W. & P.	Montreal
Mar. 25	G. Tamblyn Ltd.	Toronto
Mar. 25	United Corp.	Montreal
Mar. 26	Hollinger Cons. G. M.	Montreal
Mar. 26	Island Mt. M.	Vancouver
Mar. 27	Detroit Int. Bridge	Detroit, Mich.
Mar. 27	Jam. Pub. Service	Montreal
Mar. 27	W. Tung. Copper M.	Vancouver
Mar. 28	Goodyear Tire	Toronto
Mar. 30	Hamilton Bridge	Hamilton
Mar. 30	Amalgamated Oils	Calgary
Mar. 30	Dom. Magnesium	Toronto
Mar. 30	Norgold M.	Toronto
Mar. 30	Tombill G. M.	Toronto
Mar. 30	Moore Corp.	Toronto
Mar. 31	Cinzano Ltd.	Montreal
Mar. 31	Cons. Div. Stand. Sec. Ltd.	Montreal
Mar. 31	Interprov. Util.	Ottawa
Mar. 31	L. McBrine	Kitchener, Ont.
Mar. 31	H. Morgan & Co.	Montreal
Mar. 31	Trans. Mt. Pipe Line	Toronto
Apr. 1	Candn. Oil Cos.	Toronto
Apr. 1	Emerald Glacier M.	Vancouver
Apr. 2	Interprov. Pipe Line	Toronto
Apr. 2	Lapa Cadillac G. M.	Toronto
Apr. 2	J. S. Mitchell & Co.	Sherbrooke, P.Q.
Apr. 7	Imp. Tobacco	Montreal
Apr. 7	McWatters G. M.	Haileybury, Ont.
Apr. 8	Aunor G. M.	Toronto
Apr. 8	Celanese Corp.	New York, N.Y.
Apr. 9	Abitibi Pwr. & Pap.	Toronto
Apr. 9	Renabie Mines	Toronto
Apr. 10	Macassa Mines	Toronto
Apr. 10	Woods Mfg.	St. Lambert, P.Q.
Apr. 13	Dom. Tar & Chemical	Montreal
Apr. 14	Candn. West. Lumber	Vancouver
Apr. 14	Dom. Atlantic Rlwy.	Montreal
Apr. 14	Gypsum, Lime	Paris, Ont.
Apr. 14	Waite Amulet M.	Toronto
Apr. 15	Borden Co.	Flemington, N.J.
Apr. 15	Candn. Celanese	Montreal
Apr. 15	Candn. Chem. & Cellulose Co. Ltd.	Montreal
Apr. 15	Crown Cork & Seal	Toronto
Apr. 15	Hamilton Bridge	Hamilton
Apr. 15	Int. Util. Corp.	Philadelphia, Pa.
Apr. 16	Asbestos Corp.	Montreal
Apr. 16	Fanny Farmer	New York, N.Y.
Apr. 16	Industrial Accep.	Montreal
Apr. 16	Manufacturers Life	Toronto
Apr. 16	Nat. Lead Co.	Sayreville, N.J.
Apr. 16	Robt. Mitchell Co. Ltd.	St. Laurent, P.Q.
Apr. 16	Toburn Gold M.	New York, N.Y.
Apr. 17	Pamour Porc. M.	Toronto
Apr. 17	Simpsons Ltd.	Toronto
Apr. 18	Continental Can. Co. Inc.	New York, N.Y.
Apr. 21	Can. Malting Co.	Toronto
Apr. 21	Howe Sound	Portland, Maine
Apr. 22	Br. Amer. Oil	Toronto
Apr. 22	Trans Empire Oil	Calgary
Apr. 24	Hudson Bay M. & S.	Toronto
Apr. 25	Campbell Red Lake	Toronto
Apr. 27	Anglo-Can. Oil	Calgary
Apr. 27	Western Grocers	Winnipeg
Apr. 27	Dome Mines	Toronto
Apr. 28	Continental Can.	New York, N.Y.
Apr. 28	Montreal Locomotive	Montreal
Apr. 29	Int. Nickel	Toronto
Apr. 30	Aluminium Ltd.	Montreal
May 1	Siscoe Gold M.	Montreal
May 5	Standard Brand Inc.	New York, N.Y.
May 6	Can. Pac. Rlwy.	Montreal
May 13	Int. Paper Co.	New York, N.Y.

Stock Redemptions

Company:	Rate	Date	Price
*Adelaide Peter Bldgs. cl. A	No par	Apr. 1	$3
*Taylor, Pearson & Car. 5% pf.	5%	Mar. 23	$12.50a

*All outstanding.
aPlus accrued divd. from Mar. 2.

(Continued on page 27)

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Mar 23	377,800	3,486,000	314,804	167,270	2,540,000
Mar. 21	....	....	....	....	....
Mar. 20	474,300	3,866,000	292,550	182,299	2,550,000
Mar. 19	563,100	3,778,000	341,853	134,305	2,500,000
Mar. 18	723,400	4,580,000	356,203	184,627	2,740,000
Mar. 17	671,900	4,763,000	443,650	130,517	2,770,000

Unlisted Stocks

(Compiled from quotations from Kippen & Co., Montreal and Intercity Securities Ltd., Toronto)

[illegible]

Significant Investors' Index Numbers

[illegible]

Toronto Stock Exchange Index / Montreal Stock Exchange Index

Mar. 23	320.01	78.89	172.82	126.56	Mar. 23	96.5	205.1	168.9	716.83	63.45
Mar. 21	....	....	....	....	Mar. 21	...	....	....	....	....
Mar. 20	321.50	79.36	173.24	126.35	Mar. 20	96.6	205.4	169.1	719.60	63.52
Mar. 19	320.96	79.50	172.82	126.29	Mar. 19	96.5	205.6	169.2	717.27	63.74
Mar. 18	320.83	79.26	173.21	126.23	Mar. 18	92.2	205.1	168.8	713.32	64.13
Mar. 17	320.67	79.72	174.56	126.09	Mar. 17	96.3	205.4	169.0	712.88	63.97
Month Ago	323.11	82.02	180.07	120.34	Month Ago	94.3	206.4	169.0	707.64	65.75
Year Ago	328.15	83.79	189.66	143.43	Year Ago	86.0	211.4	169.6	746.19	65.29
1952-53 High	343.50	95.54	203.30	157.56	'52-'53 High	96.6	232.3	184.0	810.05	71.90
1952-53 Low	309.34	79.26	168.18	111.28	'52-'53 Low	83.4	191.1	155.2	647.66	60.95

Dow Jones Closing Stock Averages

	30 Indus.	20 Rails	15 Util.	65 Stocks		30 Indus.	20 Rails	15 Util.	65 Stocks
Mar. 23	287.39	110.79	53.36	112.77	Mar. 17	290.64	112.03	53.77	113.96
Mar. 21	....	....	....	....	Month Ago	281.59	109.22	52.34	110.79
Mar. 20	289.69	114.40	53.65	113.53	Year Ago	265.60	89.71	50.26	100.47
Mar. 19	289.97	111.58	53.74	113.87	1952-53 High	293.97	112.53	53.88	113.96
Mar. 18	290.32	111.63	53.73	113.75	1952-53 Low	256.35	82.03	47.53	96.05

Government Bonds

March 9, 1953 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	Mar. 1954	100⅝	100¾
3	Nov. 1956	99¾	100
3	May 1957	98	98½
3	Jan. 1959	97	97⅝
3	June 1960	96½	97¼
3	Feb. 1962	95⅝	96½
3	Oct. 1963	94¼	95
3	Sept. 1966	93½	93¾
Dom. of Can. Bonds:			
3	June 1958	97¼	98¼
3¼	June 1966	95⅝	96½
3	Perpetual	†83½	85
2¾	June 1968	89¼	90
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	▪102	104
Grand Trunk Pacific Rly.:			
3	Jan. 1962	▪97	98½
4	Jan. 1962	▪104	106
Dom. Guaranteed Bonds Can. Nat. Railways:			
3	Jan. 1959	96	97
4½	Feb. 1956	▪102½	103½
4½	July 1957	▪103⅝	104⅝
5	Feb. 1954	101	102
4¾	June 1955	▪102½	103½
2¾	Jan. 1967	88	89½
2¾	Sept. 1969	88	89½
3	Jan. 1966	92½	93½

%	Due	Bid	Ask
Prov. Govt. Bonds			
Alberta:			
2¾	Mar. 1970	♦93	95
British Columbia:			
4½	Jan. 1969	♦109	111
5	Sept. 1953	100	101
3	Dec. 1960	94	96
3	June 1964	90	92
5	Sept. 1959	♦107⅜	109⅜
B. C. Power Comm.:			
3	Oct. 1967	88	90
Manitoba:			
4	Dec. 1957	♦101½	102⅝
5	Dec. 1959	▪108	110
5½	July 1958	105	107
3	Oct. 1965	89½	90½
4½	Dec. 1956	♦102½	104½
New Brunswick:			
4½	Apr. 1961	♦101½	103½
2¾	June 1966	83½	84½
3¼	May 1957	95½	97
3¼	Sept. 1965	90½	91½
Nova Scotia:			
4½	Nov. 1960	♦104⅝	106½
5	Mar. 1960	♦106	108
3¼	June 1963/65	92⅝	93½
3	June 1956/58	95½	96½
2¾	June 1965/68	85	86½

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69	84½	86
4	June 1962	▪103½	105
4½	Jan. 1962	♦106⅜	108⅜
2¾	July 1967/76	82⅜	84⅜
3	Nov. 1963/65	90½	91½
5	May 1969	▪107½	109
Ont. Hydro Commission:			
4	Aug. 1957	▪101½	103
2¾	Oct. 1965/68	85½	86⅝
3	Dec. 1963/65	90	91
3	Nov. 1967/69	87	88½
Prince Edward Island:			
3	Oct. 1965	88½	90
Quebec:			
3¼	Mar. 1954/59	97⅜	98⅜
3¾	Feb. 1952/55	100	100⅝
4½	Aug. 1958	101	102
4½	Jan. 1963	102½	103½
3	Sept. 1962/64	91⅜	92⅜
Quebec Hydro Commission:			
3	Feb. 1969/73	87½	88½
3	Dec. 1956/60	94½	95½
Saskatchewan:			
4	Nov. 1955/60	99	100½
5	Aug. 1958	103	105
4½	Mar. 1960	♦104½	106½
5	Dec. 1959	♦107⅜	109½
3	Mar. 1963	90	92
3¼	Nov. 1960/62	92	94
3¾	Oct. 1962/65	96	98

†Callable on or after Sept. 15, 1965.
♦Payable Can. or N.Y.
▪Payable Can., N.Y. or £.

Investment Trusts

	Divd. pd.▲ cents	Bid $	Ask $
Affiliated Funds	....	5.13	5.55
Balanced Funds	‡3(50)	4.12	4.53
CanaFund	(1.10)	24.58	25.68
Can. Invest. Fund	7(28)	6.33	6.95
Com'wealth Int.	7(25)	5.22	5.74
Corporate Inv.	7(26)	5.74	6.24
Div'sified Inc. shs. B	.05(05)	2.60	2.80
Grouped Inc.	4.5(7)	4.88	5.33
Intl. American	....	10.77	11.84
Investors Mut.	7(28.5)	6.56	7.10
Leverage Fund	9(17)	3.79	4.16
Mut. Accum. F.	(71.95)	14.71	15.79
Mutual Income	4.15(12.29)	3.50	3.80
Resources of C.	7(21)	5.65	6.21
Timed Invest.	.05(20)	†4.55	*4.55
Trans-Can. A	(87.8)	19.35	...
Do. B	36.6(96.4)	19.40	...
Do. C	7.3(20)	4.00	4.30

†Less or (*) plus stock exchange commission.
▲Paid or payable in 1953; total paid in 1952 in brackets.

Bond Redemptions

Bond issues:	Rate	Year	Cal.	Price
Fer. Pwr. Sec. Corp. Ltd. 20-yr. 1st Coll. Tr. Conv. Bds., Ser. "A"	6%	1954	Apr. 15	†Par + $11.25 int.
Can Liquidaire Prop sink fund bond series B	5%	1953	Apr. 1	*$100.50
▪Adelaide Peter Bldgs. Ltd. 1st mtge. s.f. bds.	4%	1953	Apr. 1	‡Par

†50% of principal amount already having been pd., payment at this time will amount to $500 per $1,000 bond.
*$3 for $1,000 each on Apr. 1/53 at $100.50 for each 100 principal amount plus accrued interest.
▪All outstanding.
‡Plus accrued interest.

Unlisted Mines, Oils

(Compiled from quotations by G. E. Leslie & Co., Montreal)

Stock	Bid	Offer	Stock	Bid	Offer
Anthonian	39	42	Montgom'y	15	18
Adelmont	5	7	Normiska	off.	40
Adnor	20	23	Pascar	30	35
Belmont	20	25	Prov. Asb.	29	32*
Barmont	off.	15	Pershing M.	7	10
Chibmac	1½	3	Que'que	off.	40
Christie	65	70	Roymont	off.	12
Flomic C.	6	10	Signal O. & M.	70	75
Gt. Chib.	off.	10	Sh. Bach.	44	48
Intl. Asb.	58	62	South Ch.	off.	20
Juno	48	52	Titanium	22	24
Kenmac	17	20	Tomiska	5	10
Wm. Leys	29	30	Troysco	off.	35
Lorrie Nw	13	16			

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$20.94	$21.37	$26.80
Hogs	28.35	26.60	25.60
Copper, lb.	.27½	.27½	.24½
Sugar, raw, lb.	.0590	.0585	.0563
Coffee, lb.	.60	.61¼	.54¼
Hides	.18	.19	.17
Weekly Indices			
U. S. Labor	109.9	109.9	111.6
Dow Jones	168.09	167.01	182.30
Monthly Indices			
Retail (Feb.)†	115.5	115.7	117.6
W'sale (Jan.)	221.5	221.2	236.8
U. S. (Dec.)*	109.6	110.7	....
Gt. Brit. (Dec.)	327.3	324.4	330.2

Note: †Cost-of-Living Index revised to the Base of 1949=100.
*New series based on 1947-49=100.
Base of price of quotations is as follows: Cattle—Steers, good up to 1,000 lb. top price Toronto. Copper-electrotype, New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

Oil Stocks (Contd.)

.18	.05	.....	....	Oil Select	19,500	.09½	.10½	.09	.10
6.00	2.55	.....	....	Okalta	8,900	2.75	3.00	2.77	2.90
15.75	9.45	.....	....	Pac. Pete	8,900	12.12½	12.50	11.50	12.00
1.35	.35	.....	....	Pan West	34,000	.44	.47	.43	.45
8.50	5.65	.....	....	Peace River	2,225	6.95	7.25	6.85	7.05
1.40	.51	.....	....	Petrol O.	33,253	.60	.70½	.62	.65½
3.00	1.20	.....	....	Phillips Oil	18,335	1.85	2.05	1.82	1.95
2.75	1.30	.....	....	Ponder	22,750	1.60	1.70	1.60	1.65
1.15	1.00	.....	....	Poplar Oils	7,600	1.10	1.05	1.00	1.04
.90	.35	.....	....	Prado	62,900	.82	.81	.70	.70
1.98	.51	.....	....	Punch	29,600	.62	.64	.60	.61
2.40	1.10	.....	....	Que Oil Dev	200	1.25	1.25	1.25	1.25

[illegible]

*U.S. Funds. †Paid in 1953. *Div. Deferred. ‡Paid or payable in 1953.

Market Comment

What stocks and bonds are doing and what prominent observers say

The Toronto Stock Exchange is continuing its recovery from the sharp slump of last week which brought substantial price declines in many popular speculative issues.

While the annual March audit was generally considered to be the immediate cause of the recent sell-off, lack of any definite drilling news continues to be a depressing factor for some speculative mining issues that had been traded heavily earlier this year.

Western oils and the pulp and paper group of stocks have been showing strength in the face of an otherwise dull market. Golds on the T.S.E. dipped to their lowest point since July, 1951, as Washington dashed any hopes of an increase in the official price for gold. Industrials traded within a narrow range on Canadian exchanges, while base metals continued downward to a new 1953 low for the group.

In both Montreal and New York trading, the utility groups continued their steady climb to reach their highest level in several years. Other groups have encountered some resistance in their rise that began in February, indicating that an important top may be in the making.

* * *

GREENSHIELDS & CO. (Montreal).

On the Canadian business scene, the new crop of annual reports is in line with the pattern of profits which had been anticipated, progress being shown generally by corporations catering to domestic consumption and declines reported by most of those depending on the export markets. This trend was exemplified by Shawinigan Water and Power, whose chemical subsidiaries reported lower profits in their export business due to the appreciation of the Canadian dollar and to lower sales abroad. On the other hand, the company's revenue from sales of electricity reached an all-time high, and earnings from power operations represented $1.15 per share against 96c in 1951. Earnings from all sources totaled $1.91 per share as compared with $1.85 in 1951.

Among companies catering to domestic markets, the year-end reports of Henry Morgan and Simpsons reflected the growing trend in sales of consumer goods. At $647,626, net profit of Henry Morgan showed an increase of $236,504 over 1951, while Simpsons reported net profits of $5,775,962 or $1.60 per share against 70c in 1951. The new subdivided shares of the latter company are currently quoted at 15½ indicating, on a comparable basis, a gain of 100% since January last year. A similar advance was recorded by Industrial Acceptance Corp. whose shares are quoted at 35 or at about the same price as in January, 1952, before the 2-for-1 split.

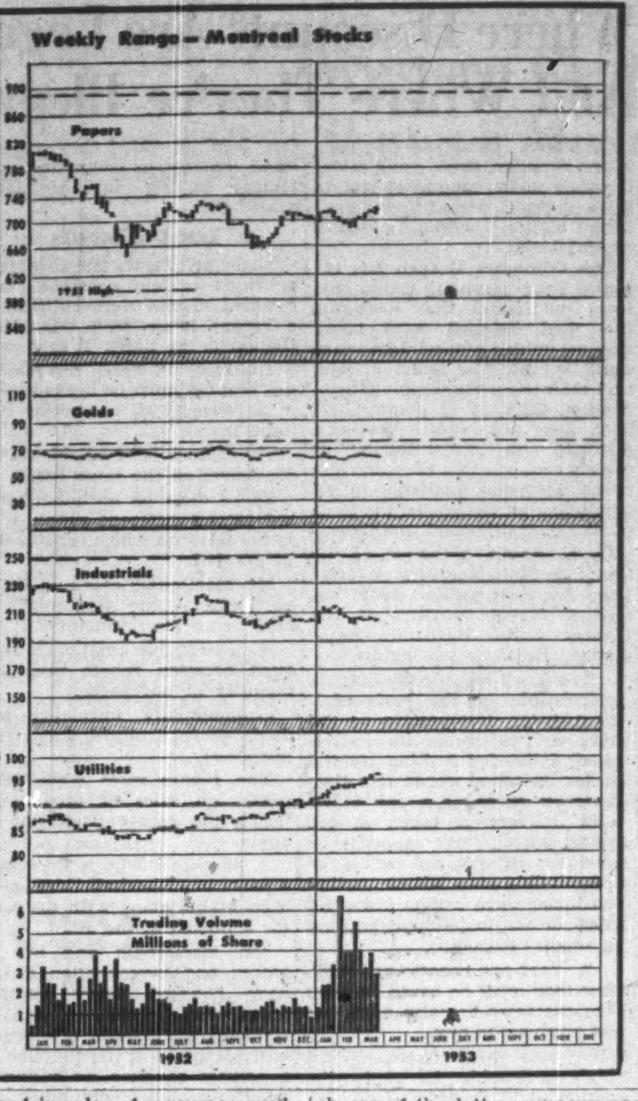
* * *

HAROLD L. TRAPP; Playfair & Co. (Toronto).

During the past six months stocks of uranium and New Brunswick mining companies have replaced western oils as speculative favorites, and running true to form are over-discounting the future. The issues of many companies no doubt will turn out successfully, but a great deal of work must be done to prove it.

Investment stocks in all groups continue in demand from U. S. and local sources. There are many attractive growth situations in Canada and with the very favorable publicity Canada is receiving, they are not being overlooked by foreign investors. While earnings are down slightly in many cases, dividends continue to be well covered. Beneficial tax changes in the recent budget add greatly to the attractiveness for purchase of sound common stocks.

We believe there may be some easing in general business to take place later in the year. While there could be a fast change in the world picture for gold, the immediate outlook continues unsatisfactory for the gold mines.



Dividends Declared

	This payment $	Date payable	Date of record*
Abitibi Pwr. & P.	.25	Apr. 1	Mar. 1
Do. pfd.	.37½	Apr. 1	Mar. 1
Acadia Atl. Sug.	.12½	Apr. 1	Mar. 16
Do. A	.30	Apr. 1	Mar. 16
Admiral Corp.	†.25	Mar. 31	Mar. 16
Agnew-Surpass	.15	June 1	Apr. 30
Do. pfd	.27½	June 1	Apr. 30
Aluminum Co. pfd.	.25	June 1	May 6
Amer. Cyanamid	†.50	Mar. 27	Mar. 3
Do. A pfd.	†.87½	Apr. 1	Mar. 3
Do. B pfd.	†.87½	Apr. 1	Mar. 3
Anglo Candn. Oil	.15	Apr. 15	Mar. 20
Anglo Can. Pulp & P.	.50	Apr. 7	Mar. 16
Anglo-Can. Tel. pf.	.56¼	May 1	Apr. 10
Anglo Nfld. Dev.	.15	Apr. 2	Mar. 2
Asbestos Corp.	.25	Mar. 31	Mar. 10
Ash Temple 6% pf.	1.50	Apr. 1	Mar. 18
J. H. Ashdown A	.15	Apr. 1	Mar. 10
Do. B	.25	Apr. 1	Mar. 10
Assoc. T. & T. A 4% pf.	†1.00	Apr. 1	Mar. 2
Atlantic W'sal's A&B	.10	Apr. 1	Mar. 16
Do. pfd	.55	June 1	May 15
Bk. of Nova Scotia	.40	May 1	Mar. 31
Beatty Bros.	.10	Apr. 1	Mar. 13
Beaver Lumber A	.25	Apr. 1	Mar. 10
Do. $1.40 pf.	.35	Apr. 1	Mar. 10
Belding Cort.	.15	Apr. 1	Feb. 27
Do. pfd.	.17½	Apr. 1	Feb. 27
Belgium Stores pf.	.25	Apr. 1	Mar. 15
Bell Telephone	.50	Apr. 15	Mar. 13
Biltmore Hats	.10	Apr. 15	Mar. 31
Do. A	.25	Apr. 15	Mar. 31
Bird Construction	.50	Mar. 31	Mar. 16
Do.	.50	June 30	June 15
Do.	.50	Sep. 30	Sep. 15
Do.	.50	Dec. 31	Dec. 15
Brantford Roof. A	.25	May 1	Apr. 15
Do.	.25	Aug. 1	July 15
Do.	.25	Nov. 1	Oct. 15
Brazilian Tr. pfd.	1.50	Apr. 1	Mar. 16
T. G. Bright 5% pf.	.28⅛	Mar. 31	Mar. 16
Br. Amer. Assur.	2.50	Apr. 1	Mar. 25
B.A. Oil	.12½	Apr. 1	Feb. 27
Broulan Reef M.	.03	Apr. 10	Mar. 25
B. C. Elec. 4% pf.	1.00	Apr. 1	Mar. 13
Do. 4¾% pf.	1.19	Apr. 1	Mar. 13
Do. 5% pf.	.62	Apr. 1	Mar. 13
B. C. Forest Prod.	.10	May 1	Mar. 31
B. C. Power	.40	Apr. 15	Mar. 31
B. C. Telephone	.50	Apr. 1	Mar. 17
Brockville Tr. & Svgs	.62½	Apr. 1	Mar. 20
Building Prod.	.45	Apr. 1	Mar. 12
Burlington Stl. .25q+‡.50		Apr. 1	Mar. 20
Burns & Co. A	.50	Apr. 29	Apr. 8
Do.	.50	July 29	July 8
Do.	.50	Oct. 29	Oct. 8
Do. B	.50	Apr. 29	Apr. 8
Do.	.50	July 29	July 8
Do.	.50	Oct. 29	Oct. 8
Caldwell Lin.	.20	May 1	Apr. 15
Do 1st pfd.	.37	May 1	Apr. 15
Do 2nd pfd.	.20	May 1	Apr. 15
Cal. & Ed. Oil	.05	Apr. 15	Mar. 13
Can. Bread B	.62½	Apr. 1	Mar. 20
Can. Crushed & Cut Stone 6% pf.	1.50	Apr. 1	Mar. 2
Can. Flooring B	.15	Apr. 1	Mar. 16

[illegible]

Dividends Declared (continued)

Fanny Farmer	†.37½	Mar. 31	Mar. 14
Foundation Co.	.15	Apr. 24	Mar. 31
Fraser Cos.	.25	Apr. 20	Apr. 3
Do. pfd.	1.19	Apr. 1	Mar. 13
Gatineau Pwr.	.30	Apr. 1	Mar. 2
Do. 5% pfd.	1.25	Apr. 1	Mar. 2
Do. 5½% pfd.	1.37	Apr. 1	Mar. 2
Gen. Steel Wares	.25	May 15	Apr. 17
Do. pfd.	1.25	May 1	Apr. 3
Goodyear Tire	1.00	Mar. 31	Mar. 10
Do. pfd.	.50	Apr. 30	Apr. 10
Gordon & Belyea A & B	1.00	Apr. 1	Mar. 24

[illegible]

New Highs and Lows

During the week ended March 20, 26 new highs were recorded among the general stocks on Canadian stock exchanges and 11 new lows. In the mining group, there were nine new highs and 20 new lows. In the western oil group there were seven new highs and seven new lows.

GENERAL

New Highs—1952-53

Bank of Toronto, B. C. Elec. 4% pf., Do. 4¾% pf., Can. Cement pfd., Can. Car A, Can. Oil, Dist. Seagram, Dom. Magnesium, Dom. Square, Ford Motor A, Gatineau Power, Gen. Dynamics, Gypsum, Lime, Indust. Accept., Do. $1.50, Maple Leaf Gdns., Mid. Pac. Grain, Ont. Jockey C., Ontario Steel, Power Corp., Quebec Tele. A, Simon & Son, Stedman's, Union Gas, Waterous A, Zeller's

New Lows—1952-53

Algoma Steel, Auto Fabric A, Can. Chem. & Cell., Chatco Steel, Cons. Textile rts., Dom. Woollens, Donn. & Mudge A, London Hose., Maritime Tele. pf., McColl-Front., Traders Fin. B

MINING

New Highs—1952-53

Berens River, Brunswick, Cobalt Cons., Eastern Metals, Maralgo, Norpax, O'Leary Malartic, Prospectors Airs., Winora

New Lows—1952-53

Avillabona, Belville, Bevcourt, Brunhurst, Can. Malartic, Crestaurum, Goldfield Uran., Golden Manitou, Highland-Belle, Iso Uran., Kerr Lake, Keymet M., Lencourt, Malartic Gold, New Calumet, Osisko, Pickle Crow, Pitch-Ore, Siscoe, Starratt Olsen

OILS

New Highs—1952-53

Amurex, Banff, Can. Ana'da, Fargo, Liberal, Redwater Utilities, Tri-Tor

New Lows—1952-53

Antone, Barons, Castle Leduc, Mic Mac, Poplar Oils, Select Oils, Westburne

Dividends Declared (continued)

R & M Bearings A	.27	Apr. 1	Mar. 15
Renold-Cov. A	.27	Apr. 1	Mar. 16
Do.	.28	July 1	June 15
Riverside Silk A	.50	Apr. 1	Mar. 15
P. L. Robertson	.50	Apr. 1	Mar. 20
Do pfd	.50	Apr. 1	Mar. 20
Robinson Little	.20	Mar. 31	Mar. 16
Russell Ind	.25	Mar. 31	Mar. 13
St. Lawr. Corp.	.50	Apr. 24	Apr. 2
Saguenay Pwr. pf.	1.06	Apr. 6	Mar. 6
Do. pfd	1.06	July 1	June 5
San Antonio	.05	Apr. 13	Mar. 13

[illegible]

Municipal Bonds

March 23, 1953

	Coup. %	Matur.	Bid $	Ask. $	Yld %
Calgary	3½	'69	84¾	86¾	[illegible]
Edmonton	3½	'69	83	86	4.72
Halifax	3½	'66	87⅛	88⅝	4.65
Hamilton	3	'67	85¼	87¼	4.20
Montreal	3	'70	81	84	4.29
Moose Jaw	3½	'60	90	92	4.72
Ottawa	3¼	'68	89⅛	91⅛	4.05
Regina	3	'64	82	84	4.77
St. John	3½	'65	86¾	89¼	4.65
Toronto	3	'68	85¼	87¼	4.10
Vancouver	3¾	'69	88¼	90¼	4.62
Victoria	3¾	'68	86⅜	88⅜	4.81
Windsor	2¾	'75	65	68	5.15
Windsor	2½	'75	61⅝	64⅝	5.15
Windsor	3½	'75	75	78	5.15
Winnipeg	3	'69	82	84	4.36

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

March 24, 1953

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
Alg. Cen. H.B.R.	5	'59	136	140	136
Bell Tele.	3	'77	81½	84½	81½
Do.	4½	'67	100	103	100
Braz. Traction	4½	'70	84	87	85
B. C. Electric	3½	'67	86	89	85
Do.	3½	'73	83	86	83
Do.	3¾	'69	89	92	89
B. C. Tele.	4	'62	97	100	97
East Kootenay	3½	'67	83	...	82
Gat. Power D	3½	'70	89	...	89
Gt. Lakes Pwr.	4½	'69	96	99	94½
Maclaren-Quebec Power	3	'69	84	...	84
Mex. Lt. & Pr.	5	'75	67	70	65½
Mtl. Trams. B	5	'55	100	103	100
Nat. Lt. & Pr.	4½	'61	94	97	94
North. Que. Pr.	4½	'67	93	...	93
Power Corp.	3½	'67	87	90	87
Quebec Power	3	'62	90½	93½	90½
St. Maurice Pr.	3½	'70	88	91	88½
Shaw. W. & Pr.	3	'71	86	89	86
Do.	3½	'73	90	93	90
Un. Fuel Invest.	4	'59	96	99	96
Wpg. Electric	3¾	'71	91½	94½	91½
Industrial Issues:					
Abitibi Pr. P.	3½	'67	94	97	95
Acadia-Atlantic Sugar	3¾	'63	91	94	91
Alaska P. & C.	4½	'66	97	100	97
Aluminum Co.	3½	'74	91½	94½	91½
Bowater's Nfld. P. & P.	3½	'68	87	...	87
B. C. For. Pr.	4½	'66	94	97	94
Burns & Co.	4	'63	94	97	84
Can. Steamship	4	'66	94	97	94
Can. Bread	4½	'67	90	93	90
Can. Brew.	4	'69	91½	94½	91½
Can. Canners	3¾	'70	92	95	92
Can. Celanese	3	'62	90	...	90
Can. Chemical	5½	'71	99	102	99
Can. Oil	3½	'62	91	...	91
Can. W. Lumb.	4	'62	95	98	95
Cockshutt Plow	4½	'65	94	97	94
Columbia Cell.	5	'68	98½	101½	98½
Consol. Paper	3½	'67	96½	99½	96½
Dom. Stores	5	'72	99½	102½	99½
Dom. Tar & Ch.	5	'67	100	103	100
Dom. Woollens	5	'64	67	72	67
Dryden Paper	5½	'66	98½	101½	98½
E. B. Eddy	4¾	'69	99	102	98
Elk Falls Co.	5	'75	98½	101½	98
Federal Grain	4	'64	92	96	91½
Gen. Stl. W.	3½	'70	89	...	89
Gt. Lakes Pap.	3½	'67	92	...	92
Imp. Tobacco	3	'70	84	87	84
Imperial Oil	3	'69	85	88	85
Indust. Accept.	5	'70	98	101	96½
Irving Oil Co.	5½	'67	98½	101½	98
Maple L. M.	3½	'63	94	97	94
Massey-Harris	5	'67	99½	102½	100
McColl-Front.	3	'71	85	88	85
Mercury Mills	4	'63	82	86	82
Mon. Knitting	4½	'71	88	91	88
N. S. Stl. Coal	3½	'63	92	95	92
Page-Hersey T.	3½	'65	90	93	90
Price Bros.	3½	'66	92	95	92
St. Law. Corp.	5	'72	97½	100½	97½
Silverwood Dai.	4	60-64	90	93	90
Do.	4	'71	89	92	89
Simpsons Ltd.	4½	'73	99	102	99
Steel Co. of C.	2¾	'67	86	88	86
United Corp.	4	'58	96	99	96
United Steel	4	'60	92	95	92
Un. Grain Gr.	3¾	'70	85	88	85
CONVERTIBLE ISSUES					
Abitibi Pr. & P.	4½	'61	98	101	98
Ajax Pete. Ltd.	5	'62	99	102	98
Atlas Steels	5	'67	107	111	108
Barvue Mines	5	'56	94	97	94
Braz. Traction	4½	'71	88	92	90
B. A. Oil	3½	'61	106	109	106½
Do.	3½	'62	99	...	100
B. C. For. Pr.	5	'66	97	100	98
Can. S. Oils	1-5	'61	104	108	115
Can. Brew.	4½	'61	97	100	99
C.P.R.	3½	'66	101½	104½	102½
Do.	4	'69	105	108	106
Central Leduc	5	'65	91	95	92
Dom. Magnes.	5	'62	119	126	115
Dom. Steel & C.	4	'61	96	99	96
Dom. Textile	4	'66	96	99	96
Gen. Pete.	4½	'63	105	109	105
Gt. Plains Dev.	1-4	'65	60	65	60
Jupiter Oils	5	'67	103	108	98
Kroy Oils	5	'67	99	102	98
N. Sup. Oils	5	'64	96	99	96
Pathfinder Pet.	1-5	'62	118	126	98
Power Corp.	4½	'68	123	...	119
Scurry Oils	5	'64	96	100	94
Silverwood Dai.	5½	'72	100½	103½	100½
Super. Pete.	4	'70	94	98	93½
Traders Fin.	4	'65	180	...	177
Trans Empire	5	'66	100	104	100
Triad Oil	4½	'67	103	107	103
West. C. Brew.	5	'67	99½	102½	99½

DIRECTORY OF **Chartered Life Underwriters**

ESTATES — PENSIONS — FAMILY INCOMES

HARVEY D. ORMEROD C.L.U.
THE LONDON LIFE INSURANCE COMPANY
6 JAMES ST. S. — HAMILTON — 2-1347

HOWARD J. CROFTS, C.L.U.
Business Insurance and Estate Analysis
THE LONDON LIFE INSURANCE COMPANY
25 King St. West — TORONTO — EMpire 6-9403

FERNAND de HAERNE, C.L.U.
Estate Analysis — Succession Duties — Business Insurance
NORTHERN LIFE ASSURANCE CO. OF CANADA
815 University Tower Building
MONTREAL — UN. 6-8731

SAMUEL LITWIN, C.L.U.
Estate and Business Insurance Analyst
Sun Life of Canada
Sun Life Building — MONTREAL — UN. 6-6411

Montreal Curb CSE March 30

An unveiling and dedication ceremony is to be held March 30 to mark the change of name of the Montreal Curb Exchange to Canadian Stock Exchange.

"The name Canadian Stock Exchange is a recognition of the prestige and position which this exchange now holds both in Canada and in financial circles everywhere," said Jacques Forget, chairman of the exchange. "It reflects its present national structure and key role in Canada's economy."

Opened Oct. 4, 1926, with 63 stocks listed, the 92-member exchange today has 529 listings. Peak trading year was 1950, when turnover exceeded 100 million shares. Volume in the first two months of 1953 totaled 31 million shares.

Action of the exchange in adopting a new name parallels a step taken by the New York Curb Exchange, which became the American Stock Exchange on Jan. 5.

Unlisted Mines, Oils

(Compiled from quotations by G. E. Leslie & Co., Montreal)

March 16, 1953

Stock	Bid	Offer	Stock	Bid	Offer
Am. Kirk.	10	15	Lorrie N.	13	16
Anthonian	43	47	Montgom'y	15	18
Adelmont	5	7	Normiska	off.	40
Adnor	19	21	Pascar	27	32
Belmont	25	30	Prov. Asb.	55	60
Barmont	off.	15	Persh. Man.	7	10
Chibmac	1½	3	Quemaque	off.	40
Christie	70	80	Roymont	off.	15
Flomic Ch.	6	10	Sig. O.&M.	70	75
Giant Ch.	off.	10	S. Bach.	48	52
Intl. Asb.	60	65	S. Chib.	off.	21
Juno	48	52	Titanium	21	23
Jasper Oil	2.15	2.25	Tomiska	4	8
Kenmac	17	21	Troysco	off.	35
Wm. Leys	28	29			

DEACON FINDLEY COYNE LIMITED
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Government, Municipal and Corporation Bonds
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Members The Toronto Stock Exchange
197 BAY STREET—TORONTO 1—EMPIRE 4-3401

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3030 DUNDAS ST. W. (opposite High Park Ave.) — JU. 1167

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DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

Dividend No. 265

NOTICE is hereby given that a DIVIDEND OF THIRTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 30th April 1953 and that the same will be payable at the Bank and its Branches on and after FRIDAY, the FIRST day of MAY next, to Shareholders of record at the close of business on 31st March, 1953. The Transfer Books will not be closed.

By Order of the Board.

N. J. McKINNON, General Manager.

Toronto, 6th March, 1953.

THE DOMINION BANK

DIVIDEND NO. 282

Notice is hereby given that a dividend of twenty-five cents per share for the quarter ending 30th April, 1953, and a bonus of ten cents per share for the six months' period ending 30th April, 1953, upon the paid-up capital stock of the Bank has been declared and that the same will be payable at the Head Office of the Bank and its branches on and after Friday, the 1st May, 1953, to shareholders of record of the 31st March, 1953.

By Order of the Board.

A. C. ASHFORTH, General Manager.

Toronto, 5th March, 1953.

N. SLATER COMPANY LIMITED

HAMILTON - CANADA

DIVIDEND NOTICE

A quarterly dividend of 53 cents per share on the outstanding Preferred Stock of the Company has been declared payable on April 15th, 1953, to shareholders of record at close of business on April 3rd, 1953.

Also, a quarterly dividend of 45 cents per share on the outstanding Common Stock has been declared, payable on May 1st, 1953, to shareholders of record at the close of business on April 10th, 1953.

E. GARSIDE, Secretary.

GURNEY PRODUCTS LIMITED

QUARTERLY DIVIDEND NOTICE

Notice is hereby given that Quarterly Dividend No. 9 of Forty Cents per share has been declared on the outstanding Preferred Shares, payable May 1st, 1953, to shareholders of record April 15th, 1953.

By Order of the Board.

R. S. M. AUSMAN, Secretary-Treasurer.

ANGLO-CANADIAN TELEPHONE COMPANY

Class A Dividend Notice

NOTICE is hereby given that a dividend of One and One-half percent (1½%) has been declared on the Class A Stock of the Company, payable June 1, 1953, to Stockholders of record at the close of business on May 8, 1953.

By Order of the Board,

CAMERON HOUGH, F.C.I.S. Secretary.

Montreal, March 6, 1953.

ANGLO-CANADIAN TELEPHONE COMPANY

Preferred Dividend Notice

NOTICE is hereby given that a dividend of One and One-Eighth percent (1⅛%) has been declared on the 4½% Cumulative Preferred Stock of the Company for the quarter ending April 30, 1953, payable May 1, 1953, to Stockholders of record at the close of business on April 10, 1953.

By Order of the Board,

CAMERON HOUGH, F.C.I.S. Secretary.

Montreal, March 6, 1953.

SUPERTEST

Petroleum Corporation, Limited

NOTICE OF DIVIDEND

NOTICE is hereby given that a quarterly dividend of $1.25 per share upon the outstanding 5% cumulative redeemable sinking fund preference shares of the par value of $100 each in the capital stock of the company has been declared payable on April 15, 1953, to shareholders of record at the close of business March 26, 1953, such dividend being at the rate of 5% per annum for the period from January 15, 1953, to April 15, 1953.

By Order of the Board.

C. C. COPEMAN, Secretary.

London, Ontario, March 16, 1953.

DOMINION STEEL AND COAL CORPORATION, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a regular quarterly dividend of twenty-five cents (25c) per share on the outstanding Ordinary shares without nominal or par value of the capital stock of this Corporation has been declared for the quarterly period ending March 31, 1953. Such dividend to be payable on April 21, 1953, to shareholders of record at the close of business on March 30, 1953.

By Order of the Board.

G. C. BROADBENT, Secretary and Treasurer

MONTREAL, P.Q., March 16, 1953.

CANADIAN VICKERS LIMITED

COMMON SHAREHOLDERS

NOTICE is hereby given that a regular quarterly dividend of twenty-five cents (25c) per share on the 530,000 shares outstanding has been declared and will be paid on the fifteenth day of April, 1953 to shareholders of record at the close of business on March 31st, 1953.

(Signed) J. B. HATCHER, Secretary.

Montreal, March 16th, 1953.

DIVIDEND NOTICES

Penmans

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 30th day of April, 1953.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 1st day of May to Shareholders of record of the 1st day of April, 1953.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of May to Shareholders of record of the 15th day of April, 1953.

By Order of the Board.

L. P. ROBERTON, Secretary-Treasurer.

MONTREAL, March 16, 1953.

CANADA FOILS, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the regular quarterly dividend of fifteen cents (15c) per share and a participating dividend of forty-eight cents (48c) per share on Class "A" Shares and a dividend of ten cents (10c) per share on the Common Shares will be paid May 15th, 1953, to shareholders of record at the close of business April 30th, 1953.

By Order of the Board.

W. A. RENNIE, Secretary.

Toronto, Ontario, March 17th, 1953.

ENAMEL & HEATING Products Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 10c per share has been declared on the issued and outstanding capital stock of the Company, payable on Thursday, April 30, 1953, to shareholders of record at the close of business March 31, 1953. This dividend is payable on Common Stock as presently constituted after sub-division in accordance with supplementary letters patent (4 new shares for one old) dated July 9, 1951.

By order of the Board of Directors.

A. R. French, *Secretary-Treasurer.*

SACKVILLE, N.B., March 17, 1953.

GENERAL STEEL WARES LIMITED

PREFERRED DIVIDEND

Notice is hereby given that a dividend of ONE DOLLAR AND TWENTY-FIVE CENTS ($1.25) per share has been declared for the quarter ending April 30th, 1953, on the outstanding preferred stock of this Company, payable May 1st, 1953, to Shareholders of record April 3rd, 1953.

By Order of the Board.

FRANK S. BROPHY, Secretary.

Montreal, March 17th, 1953.

GENERAL STEEL WARES LIMITED

COMMON DIVIDEND

Notice is hereby given that a dividend of TWENTY-FIVE CENTS (25c) per share has been declared for the quarter ending April 30th, 1953, on the outstanding Common Stock of this Company, payable May 15th, 1953, to shareholders of record April 17th, 1953.

By Order of the Board.

FRANK S. BROPHY, Secretary.

Montreal, March 17th, 1953.

IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

DIVIDEND

NOTICE is hereby given that a Dividend (No. 22) of twenty-five cents (25c) per share has been declared for the quarter ending on 30th April, 1953, on the paid-up 4% Cumulative Redeemable Sinking Fund Preference Shares of the Company. The said Dividend will be paid on Friday, the 1st day of May, 1953, to shareholders of record on Friday, the 3rd day of April, 1953.

By Order of the Board.

H. E. JACKSON, Secretary.

MONTREAL, P.Q. 17th March, 1953.

QUEBEC POWER COMPANY

NOTICE IS HEREBY GIVEN that a dividend of thirty cents (30c) per share has been declared on the no par value common shares of the Company for the quarter ending March 31, 1953, payable May 25, 1953, to shareholders of record April 15, 1953.

By Order of the Board.

J. L. T. MARTIN, Secretary.

Montreal, P.Q. March 18, 1953.

ALUMINIUM LIMITED

ANNUAL MEETING

RECORD DATE

The Annual Meeting of the Shareholders of Aluminium Limited will, in accordance with the By-Laws of the Company, be held on Thursday, April 30th, 1953, at 11:00 o'clock in the morning, at the Head Office of the Company, 21st Floor, Sun Life Building, 1155 Metcalfe Street, Montreal, Quebec, Canada. Pursuant to a resolution of the Directors, only shareholders of record at the close of business on March 31st, 1953, will be entitled to receive notice of and to vote at the meeting and at any adjournment thereof.

Montreal March 17th, 1953 — *JAMES A. DULLEA Secretary*

Where Discounts Are Legal And Where They're Illegal

OTTAWA (Staff) — If your usual supplier stops your usual discount on the ground of section 498A of the Criminal Code, don't accept his story without a second careful look.

The Combines Branch has recently been receiving complaints from purchasers that discounts they had enjoyed were being stopped on this ground. In no case could anything be found in Section 498A to justify stopping them. Section 498A, it is pointed out here, does not require that any discount be discontinued. It merely requires that the same discount be made available to all competing purchasers on the basis of like quantities and qualities.

G. K. Shiels, president of the Canadian Manufacturers' Association, discussed section 498A before a recent meeting of the Ontario Retail Hardware Association. He made two points:

1. An off-invoice discount is permissible on the basis of a firm order, irrespective of the time or the size of the individual deliveries making up the order. In other words, if a firm order is placed for, say $1,000 and delivery is taken in ten small portions over a period, a discount of, say, 5% would be permissible even where another customer gave a firm order for $500 in one installment and got a smaller discount.

2. Year-end rebates are legal, but they must be based on what the customer actually buys, not on promises to buy.

For both these assertions Mr. Shiels was able to quote the opinion of T. D. MacDonald, Director of Research and Investigation under the Combines Act.

What Code Says

When Section 498A was re-enacted by Parliament last summer it was not much altered. The chief change was to provide that, in order to constitute an offense, there must be a practice of discrimination between competing customers. An isolated instance which might arise from meeting the price of another supplier would not now be covered.

The amended section provides, in effect, that a supplier has committed an offense if he discriminates to his knowledge amongst competing customers by granting one of them a price concession which is not available to the others on the basis of the sale of goods of like quality and quantity. Then the section adds that it will not be an offense unless the concession made to one purchaser was part of a practice of discrimination.

In the result, therefore, there is nothing to interfere with normal commercial discounts so long as they are available to competing customers on equal terms. The object of section 498A is just to prevent unfair discriminatory treatment which places one customer at a disadvantage compared with his competitors.

Off-invoice discounts are therefore legal provided they are offered equally to competing customers buying in the same quantities.

Year-End Rebates

Year-end rebates are also legal, provided certain conditions are fulfilled. These were outlined in a recent letter from Mr. MacDonald to the CMA. It said:

The basis on which the rebates are granted must be made known in advance to all competing customers;

They must be available to all customers on the same basis;

There must be no understanding among different suppliers as to the basis on which rebates will be granted.

Mr. MacDonald also said that a particular rebate plan might be held to be discriminatory if;

No reasonable relationship existed between rebate rates and quantity of purchases;

Commercially unrelated products were grouped for rebate purposes;

The rebate rates were based partly on sales of products to which the rebate itself did not apply.

A purchaser who is knowingly a party to a discriminatory sale is accountable along with the seller for a breach of the act.

Mr. MacDonald and his Research and Investigation Branch have handled many enquiries about 498A since its passage last summer. In general the Branch will not perform the functions of a private solicitor by ruling on specific arrangements; but it goes quite a long way in explaining how the law applies, so that a seller can apply it to his own circumstances and come up with the right answer.

Bathurst P & P New Financing Expected Soon

MONTREAL (Staff) — Additional financing is to be undertaken shortly by Bathurst Power & Paper. President R. L. Weldon, reporting to shareholders at this week's annual meeting, noted that the company has spent over $8 millions since its first mortgage bonds were issued in 1948. Mill output has been increased by about 50,000 tons annually, while capacity of the subsidiary converting plants has been practically doubled; in addition, working capital has been doubled since 1947.

Details of the amount and terms of the new financing were not available at midweek, but was expected to take the form of a debenture issue. Proceeds will be for general corporate purposes.

Mr. Weldon said that since early spring of 1952, markets for corrugated shipping containers and board products of the company have reflected the seasonal changes in demand characteristic of prewar days. As a result, he said, sales in January and February have been comparatively lower. However, March has shown a distinct improvement to date.

"If the trend pursues its normal course we can look forward to increasing business until at least the late fall. On the whole, inventories in the hands of customers seem to be low and it may well be that the peak demand may tax our facilities before the end of the summer."

The president noted that pulp markets continue to show irregularities. Bleached pulps are in good demand, he said, but unbleached pulps continue at unsatisfactory levels in both quantity and price.

Shareholders were told that on behalf of Bathurst and the lumber industry generally, presentations have been made to the New Brunswick Government for improved laws to facilitate protection of the forest without hampering progress of legitimate mining discoveries.

DIVIDEND NOTICES

BATHURST POWER & PAPER COMPANY LIMITED

NOTICE OF DIVIDEND ON CLASS A SHARES

The Board of Directors has to-day declared a quarterly dividend of Seventy-five cents (75c) per share on the outstanding Class A shares of this Company, payable on the 1st day of June, 1953, to shareholders of record at the close of business on the 4th day of May, 1953.

R. H. CHRISTIAN, Secretary-Treasurer.

March 23rd, 1953.

NOTICE

PATHFINDER PETROLEUMS LIMITED

SERIES "A" AND "B" DEBENTURES

Definitive coupon debentures for trustee's interim certificates for series "A" and "B" debentures maturing April 1st, 1962, are now available at the offices of the Canada Trust Company, Toronto, Ontario and Calgary, Alberta.

The Canada Trust Company.

NOTICES

CANADA MALTING CO. LIMITED

NOTICE

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of CANADA MALTING CO., LIMITED, will be held at the Royal York Hotel, in the City of Toronto, on Tuesday, the 21st day of April, 1953, at the hour of 11.30 a.m., to receive and consider the report of the Directors, the balance sheet, statement of profit and loss and earned surplus, and the auditors' report thereon, to elect Directors for the ensuing year, to appoint Auditors for the ensuing year and fix their remuneration, and to transact such other business as may properly come before an Annual Meeting.

AND FURTHER TAKE NOTICE that immediately following the above meeting, a Special General Meeting of the Shareholders of the Company will be held for the purpose of considering, and, if thought fit, sanctioning By-law No. 12 of the Company, relating to the head office of the Company. A copy of the said by-law may be inspected at the Executive Offices of the Company at the City of Toronto during business hours.

By Order of the Board.

GEORGE J. WILLIAMS, Secretary.

Toronto, Ontario, March 6, 1953.

NOTICE to Holders of Share Warrants under the Regulations of the Company adopted by the Company.

Holders of Share Warrants, in order to vote at the above Meetings, must deposit their Share Warrants with The Toronto General Trusts Corporation, the Transfer Agent of the Company, or with a chartered bank, and receive voting certificates, which must be produced at the Meetings or filed with proxies before the Meetings. Forms for this purpose may be obtained from The Toronto General Trusts Corporation, the Transfer Agent of the Company, at its Toronto office, or from the office of the CANADA MALTING CO., LIMITED, Foot of Bathurst Street, Toronto.

Allstate Insurance Co. Plans Broader Canadian Operations

Allstate Insurance Co., of Chicago, which has been writing automobile insurance in Canada in a modest way since 1949, plans to expand its Canadian activities and, as in U. S., will be selling policies over department store counters.

A branch office will be opened in Toronto about April 1 with Paul Gasbarino, formerly sales manager of Allstate's Kansas City, Missouri, branch as Canadian manager. The company expects to be licensed in all provinces by April 1 and will write the standard automobile insurance policy in use in most provinces.

The firm will offer a discount to drivers with a safe driving record and it will be possible for policyholders to pay premiums by eight monthly installments.

Allstate, owned by Sears-Roebuck, of Chicago, will write business through agents operating from Simpson's stores and other locations and by mail order through Simpsons-Sears in areas where it is impracticable to have agents.

At Dec. 31, Allstate had assets exceeding $140 millions and in 1952 wrote over $117 millions automobile insurance premiums.

Hamilton Businessman Writes

As a long time reader of The Financial Post, I have been more than pleased lately with the expansion of your coverage of Canadian mining activities. Hope you keep up the good work.

Noranda Mines

(Continued from page 25)

west, and 320,000 tons averaging 0.228 oz. gold and 1,500,000 tons averaging 0.7% copper and 0.12 oz. gold were indicated in the No. 5 zone of the Horne mine at Jan. 1, 1952. Volume of ore hoisted at the Horne Mine in the 1949-52 period averaged about 1.3 million tons annually (1.4 million in 1952).

Noranda has controlling or substantial interests in several other enterprises, including the following:

Canadian Copper Refiners Ltd., 92% owned, operates custom electrolytic copper refinery at Montreal East with annual capacity of 135,000 tons, treats Noranda smelter output.

Canada Wire & Cable Co., 64% owned, makes copper wire and cable, aluminum wire and cable and steel wire. Owns rod mill and wire drawing plant at Montreal East and wire and cable plant at Leaside, Ont. New $1.1 million factory started operating in 1952.

Noranda Copper and Brass Ltd., 61% owned, operates strip mill plant near Canadian Copper Refiners and Canada Wire & Cable rod mill at Montreal East.

Mining interests include 55% ownership of Aunor Gold Mines (gold producer); 64% interest in Compania Minera La India (Nicaragua gold producer); 94% interest in Hallnor Mines (Porcupine area gold producer); 46% interest in Pamour Porcupine Mines (Porcupine gold producer); 68% interest in Waite Amulet Mines (copper-zinc-gold-silver producer); 46% direct and indirect interest in Anglo-Huronian Ltd. (holding company for mining company shares, including 1,170,000 Kerr-Addison Gold Mines shares); 44% direct and indirect interest in Kerr-Addison Gold Mines Ltd. (largest Canadian gold producer); 33% direct and indirect interest in Mining Corp. of Canada (large exploration and holding company whose interest include 1.1 million shares of Quemont Mining Corp., 1.8 million shares Torbrit Silver, 1.6 million shares Jerome Gold Mines, 1.1 million shares Camlaren Mines, 1.8 million shares Normetal Mining.)

INCOME ACCOUNT

Years Ended Dec. 31:	1952 $	1951 $
Total income	26,964,860	27,654,454
Less: Oper. exp.	10,387,400	9,634,485
Net earnings	16,577,460	18,019,969
Less: Deprec.	615,454	601,655
Res. for taxes	3,475,503	4,439,775
Explor w/o	276,781	209,676
Net profit	12,209,722	12,768,863
Less: Divds.	8,959,088	8,959,088
Surplus for year	3,250,634	3,809,775
Earnings per Share	$5.45	$5.70
Paid	4.00	4.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$763,020	$5,887,967
Call loans	......	25,150
Accts., etc., rec.	1,108,532	560,637
Bds. & stks.*	5,602,559	8,070,627
Smelt. & refin. toll	1,326,440	1,363,347
Ref. settlements	13,290,513	8,732,103
Supplies‡	1,700,739	1,787,896
Total curr. assets	23,791,823	26,427,727
Mtge. loans	844,051	925,451
Chgs. to oper.	544,761	508,436
Prosp. & expl.	267,438	120,767
Inv. in sub.	13,770,313	13,752,080
Inv. in affil. & other cos.	12,860,243	12,654,351
Adv. to sub. & affil. cos.	5,867,274	465,652
Mng. claims	919,779	919,779
Plant & equip.	18,036,643	17,816,268
Hotel etc.	3,208,224	3,087,301
Less: Deprec.	17,389,930	16,939,392
Total assets	62,720,619	59,738,120
Bank overdraft	2,196,340	......
Accts. & tax. pay	3,075,619	4,453,528
Customs ore pay.	3,012,254	4,045,961
Unclaimed divs.	190,385	243,244
Total curr. liab.	8,474,598	8,742,733
Invest & cont. res.	5,051,559	5,051,559
Capital stock	11,303,140	11,303,140
Surplus	37,891,322	34,640,688
*Market value	5,659,882	8,633,333

‡Incl. in deferred assets in co's report.

Cont. Liab.—Guaranty of interest and principal on $2,975,000 mtge. bonds of Noranda Copper & Brass.

Working capital	15,317,225	17,684,994

OPERATING STATISTICS

Ore reserves:	*1952	*1951
Sulphide ore, tons	14,631,780	15,626,140
Copper, %	2.25	2.24
Gold, oz.	0.186	0.186
Silicious fluxing ore, tons	948,153	955,759
Copper, %	0.09	0.08
Gold, oz.	0.122	0.121

*3,370,000 tons in Chadbourne ore body and in No. 5 body of Horne mine not included above.

Tons treated	1,399,665	1,328,368
Average recovery	$14.80	$16.53

NORANDA'S CAPITAL SETUP

	Authorized	Issued	Outstanding
4½% s.f. debents., due Jan. 2, 1968	$20,000,000	$20,000,000	$20,000,000
Common, n.p.v. shares	2,250,000 sh.	2,239,772 sh.	2,239,772 sh.

Directors: James Y. Murdoch (president); H. L. Roscoe (vice-president); J. R. Bradfield (exec. asst. to the president); Oliver Hall, F. M. Connell, N. C. Urquhart, Toronto; Leo H. Timmins, J. R. Timmins, Hon. Alphonse Raymond, J. I. Rankin, Montreal.

Grain Prices

Chicago Futures

Week to March 23, 1953

Crop year from Aug. 1, 1952 High	Low		High for week	Low for week	Close Mar. 23
		Wheat—			
2.47¼	2.17¼	Mar.	2.30½	2.26	2.27
2.49¾	2.21½	May	2.32½	2.28¼	2.23⅜
2.48⅜	2.21⅜	July	2.33⅜	2.30⅜	2.30⅜
2.47¼	2.24½	Sept.	2.36¼	2.33⅜	2.33⅜
2.40½	2.28½	Dec.	2.40¼	2.37¼	2.37¼
		Corn—			
1.83½	1.47⅜	Mar.	1.59½	1.56	1.57¾
1.84½	1.52	May	1.62¼	1.58½	1.58⅞
1.81	1.54⅜	July	1.65¼	1.61½	1.61⅜
1.76½	1.54	Sept.	1.64⅜	1.61	1.61
1.64½	1.52¾	Dec.	1.61⅜	1.58¼	1.58¼
		Oats—			
.93⅜	.71½	Mar.	.75¾	.74	.75½
.92⅞	.72¼	May	.75¼	.73½	.73¼
.88⅜	.72	July	.76⅞	.75½	.75⅜
.84⅞	.74½	Sept.	.77⅜	.75⅜	.75⅞
.79¾	.77½	Dec.	.79⅜	.78	.78
		Rye—			
1.95⅜	1.68	Mar.	1.73⅜	1.73	1.73⅜
2.19	1.71½	May	1.80⅜	1.74¼	1.75
2.12½	1.73	July	1.83½	1.78	1.78¼
2.04	1.75⅜	Sept.	1.86	1.81	1.81
		Soybeans—			
		Mar.	3.06⅜	3.01¼	3.05½
		May	3.02⅜	2.97½	2.97⅜
		July	2.99⅜	2.93⅜	2.93⅜
		Sept.	2.88	2.82¼	2.82¼
		Nov.	2.79½	2.75	2.75¼

Chicago Cash

	For Week Mar. 23 High	Low	Prev. High	week Low
Corn—				
2 Yell	1.62	1.62	1.60¼	1.59¼
Oats—				
1 H. Wh.	.84¼	.83½	.84⅜	.80⅜

Winnipeg Futures

Week to March 23, 1953

Crop year from Aug. 1, 1952 High	Low		High for week	Low for week	Close Mar. 23
		Oats—			
.87¼	.72½	May	.76⅜	.74⅜	.74⅜
.81⅜	.70⅜	July	.74⅜	.73¼	.73⅜
.77⅜	.71	Oct.	.74⅜	.73	.73¼
		Barley—			
1.30⅜	1.15¼	May	1.25⅜	1.23¼	1.23⅜
1.23½	1.12½	July	1.21½	1.18⅜	1.19⅜
1.20⅜	1.13	Oct.	1.20	1.18¼	1.18⅜
		Rye—			
1.99	1.55⅜	May	1.63⅜	1.59¼	1.60
1.94⅜	1.56⅜	July	1.65⅞	1.61⅜	1.62
1.74	1.53¼	Oct.	1.69¼	1.65⅜	1.65¼
		Flax—			
3.99½	2.99½	May	3.25½	3.23½	3.23½
3.59	3.01½	July	3.26½	3.22½	3.22½
3.30½	3.04⅜	Oct.	3.27	3.24	3.24

Winnipeg Cash

	For Week Mar. 23 High	Low	Prev. High	week Low
Oats—				
2 C. W.	.79⅜	.78¼	.78⅜	.77
3 C. W.	.75¼	.73⅜	.74½	.73⅜
Barley—				
1 Feed	1.23	1.21½	1.22⅜	1.20⅜
2 Feed	1.21	1.19⅜	1.20	1.18⅜
1 Malt	1.30½	1.28⅜	1.31	1.28⅜
Rye—				
2 C. W.	1.60⅜	1.58¼	1.60½	1.58¼
1 C. W.	1.60⅞	1.58¼	1.60½	1.58½

COMPANY REPORTS

PRUDENTIAL INSURANCE CO. OF AMERICA reports $1,339.6 millions of life insurance in force in Canada covering 1,200,000 lives, at the end of 1952. The company made sweeping gains in almost every phase of its business in Canada, said Robert M. Green, vice-president in charge of the company's Canadian operations.

New insurance rose 84% to $264.5 millions ($143.7 millions in 1951). Bulk of the increase was due to an increase in group life and creditor's insurance from $4.5 million in 1951 to $118.9 millions.

Individual accident and sickness business, which the company started writing in the last five months of 1952, was equivalent to $13 millions.

Book value of the company's Canadian dollar assets was $333.7 millions ($310.1 millions in 1951). The company also had $117 millions in U.S. funds invested in Canada, a 22% increase over 1951's $96.6 millions.

During 1952, Prudential disbursed $28.5 millions in mortgage loans bringing total mortgage loan holdings in Canada to $150.3 millions ($134.3 millions in 1951). Total policy payments were $24 millions up $600,000. The figures include $6.8 millions death claims and $6.2 millions policyholders' dividends ($6.3 millions and $5.7 millions in 1951 respectively).

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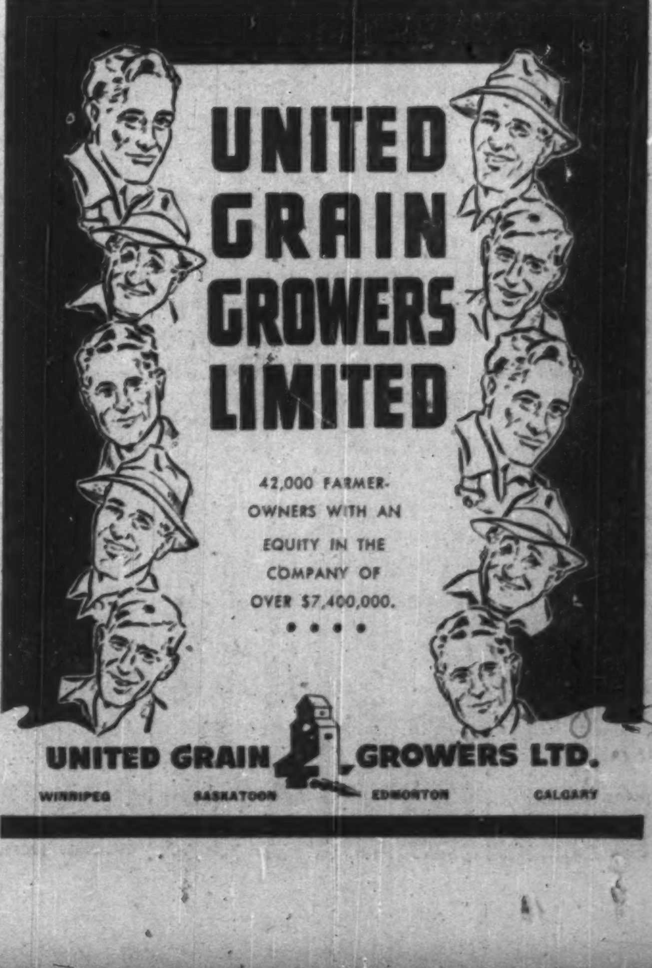

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1,200 ft. of New Ore Shown at Errington Gives Ont. Pyrites Potential Real Boost

Very large tonnages of ore additional to the 4,300,000 tons estimated late last year have been outlined by diamond drilling at the Sudbury properties of Ontario Pyrites Co.

Five holes have lengthened out the known ore occurrence at least 1,200 ft. to the west in the area between No. 1 and No. 2 shafts at the main Errington property. While it is not definitely known whether these zones are the Rheaume, Christie or Remig ore bodies, they point to very large tonnages existing in the area over and above the estimate struck off last December. In addition, the known Rheaume and Christie ore bodies between sections 200 east and 1,500 ft. west have been enlarged as well, J. M. Cunningham-Dunlop, vice-president and general manager reports.

Current drilling is designed to determine the ore potential rather than to block out assured ore. The object is to place in sight at least sufficient ore to justify building a plant using a process that could recover the $23 in metals (at present prices) in the ore, rather than to erect a flotation-process mill which, although involving lower capital costs, would mean lesser returns from mining operations.

Research Encouraging

Metallurgical test work is being continuously carried out using the flotation process and a roast-leach method, so that the company may have the knowledge of full comparative advantages. The flotation test work has been conducted to a point where results have shown that a good zinc concentrate can be obtained grading 50% zinc and a combined copper-lead concentrate grading 22% copper and 13% lead, with good recoveries. The roast-leach work is in the preliminary stages, but tests point to good recoveries with few mechanical difficulties to be overcome.

In January, it was reported that the ore bodies at the Errington had been extended substantially by diamond drilling, most of which had been from the 500-ft. level. Since then, 18 more drill holes have returned values which, together with the 12-holes reported in January, extend the Christie ore body below 750 ft., apparently lengthen and enlarge the Rheaume Nos. 1, 2 and 3 blocks and indicate that the old Remig ore zone contains substantial tonnages of ore below the 500-ft. level.

Get Exceptional Hole

The most significant holes returned since the December estimate are:

No. 5-135—drilled on section 1,500 west;
No. 5-142—drilled on 1,600 west;
No. 5-157—drilled on section 1,900 west;
No. 5-161—drilled on section 2,200 west;
No. 5-167—just completed on 2,700 west.

This last hole has assayed 1.92% copper, 1.36% lead, 8.48% zinc, 0.2 oz. gold and 2.68 oz. silver for 70-ft. core length, or by taking a longer section, 1.26% copper, 1.32% lead, 8.09% zinc, 0.02 oz. gold and 2.29 oz. silver over a 104-ft. core length. This most westerly hole in this series which adds 500 ft. of length by itself was a most exceptional one. Combined metal content exclusive of the good gold and silver values was almost 12% in copper, lead and zinc.

Drilling has been resumed on surface near Vermillion River, east of the Sudbury Midzone boundary. Hole No. C-23 here has returned two sections of ore: 15 ft. of core length averaging 0.28% copper, 1.82% lead, 3.95% zinc, 0.08 oz. gold, 5.16 oz. silver; 20 ft. averaging 0.12% copper, 1.0% lead, 2.07% zinc, 0.03 oz. gold and 3.52 oz. silver.

The electrical hoist is in operation at No. 2 shaft at the Errington and dewatering is being proceeded with to the 1,500-ft. level.

At the Vermillion Lake property of Ontario Pyrites, the 750-ft. level station of the new shaft will be finished this week and sinking will proceed to 900 ft. When this shaft is completed, diamond drilling will be feasible to depths of up to 1,500 ft. and additional tonnages may be added to the substantial tonnage already estimated for this section. A double drum electric hoist is being installed to replace the air-driven sinking hoist and the large diesel engine from No. 1 shaft at Errington mine will provide electrical power. This will result in more air being available for the underground lateral work and diamond drilling which is to commence in May.

Summary of recent drilling results is as follows:

Hole	Core Length ft.	Cu. %	Pb. %	Zn. %	Au. oz.	Ag. oz.	Section
5-135*	28	1.40	.63	4.16	.03	2.53	1500w
5-136	31	.05	1.34	8.41	.03	2.48	200w
5-137	128	.95	.16	2.47	.01	1.45	400w
5-138	27	.54	.54	3.40	.01	.97	1000w
	10	.14	.66	4.48	...	1.17	
5-139	48	.92	.71	4.59	.01	1.62	400w
5-141	5	.58	.46	5.88	Tr.	1.18	1100w
5-142	21	1.60	1.07	6.15	.01	2.42	1600w
	or 36	1.07	.63	4.21	.01	1.87	
5-143	50	1.09	.39	3.50	.01	1.39	400w
5-144	20	1.00	.34	3.12	.01	1.03	
	& 20	1.49	.48	4.43	.01	1.51	1100w
5-147	40	.44	1.83	6.85	.04	2.31	100E
5-150	26	2.29	1.10	3.67	.04	2.14	500w
5-151	41	.36	1.20	5.30	.04	2.35	1300w
5-154	25	.32	.53	2.84	.02	1.87	100E
5-109	53	1.88	.54	1.56	.02	2.54	
5-156	18	.10	.70	2.52	.02	1.24	100E
5-157	74	1.08	.91	1.19	.01	.87	1900w
	& 20	.82	.16	2.99	.01	1.04	
	& 10	.73	1.02	3.73	.02	2.25	
5-158	5	.16	.17	1.65	.01	.58	200E
5-161	10	.30	2.36	3.23	.01	2.41	2200w
5-165	25	.16	.72	4.93	.01	1.84	750w
5-167	70	1.92	1.36	8.48	.02	2.68	2700w
	or 104	1.26	1.32	8.09	.02	2.29	
C-23	15	.28	1.82	3.95	.08	5.16	6000w
	& 20	.12	1.00	2.07	.03	3.52	
5-35	14	.31	2.53	8.01	.10	1.63	
	26	.62	1.63	6.68	.02	1.92	
	15	...	1.51	3.57	.02	2.57	
	65	...	...	3.68	...	.67	

*Previously reported.

Big Nickel Find In The Yukon Behind PA Rise

A wide mineralized zone showing nickel - copper sulphides and massive pods of sulphides in places has been found in the White River area of the Yukon Territory some distance from Whitehorse.

An option on the new discovery was acquired by Prospectors Airways on Tuesday after an inspection by the company's geologist. Further details on the discovery were not available at press time.

The Klaune Lake nickel discovery of Hudson Bay Mining & Smelting Co. is in the same general region and the Yukon now appears to be really "heating up" as nickel country since the H.B. find has been standing up under intensive drilling. P.A. also has ground adjoining Hudson Bay in this sector.

Prospectors Airways interest in the new Kenora nickel area has also been a source of new interest in the stock. On claims held to the north of Falconbridge, the company has outlined an unusually large anomaly which is a bet for nickel-bearing sulphides or a possible magnetite iron ore body.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DOME MINES reports that lower 1952 operating earnings from Porcupine gold mining were partially offset by an initial dividend from Campbell Red Lake Mines and accrual of interest on funds advanced to Mindamar Metals Corp. whose operations are now on a profitable level.

Net profit equalled 75 cents a share (81 cents) in 1952.

Mindamar was delayed in reaching production and $3,425,000 was advanced altogether. Long term contracts for zinc output, coupled with satisfactory underground ore development, is expected to ultimately return Dome's investment with a profit.

Campbell Red Lake advances of $2,450,000 were completely liquidated in 1952 and Dome's equity in earnings for the year was $333,130. Dome's Campbell holdings, carried at $1,306,589, had a $22,311,200 market value at year end.

Operating earnings of the parent company declined substantially in spite of the fact that 3,000 more ounces of gold were produced. The lower price for gold and higher wages were only partially offset by increased cost-aid payments.

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Bullion prod.	$5,803,685	$6,135,843
Less: Oper. exps.	5,244,628	4,946,132
Oper. earns.	559,057	1,189,711
Add: Oth. inc. (net)	805,820	646,648
Cost-Aid assist.	465,000	403,000
Net earnings	1,829,877	2,239,359
Less: Tax res.	116,000	418,000
Depreciation	177,465	162,195
Outside expl. w/o	75,247	81,179
Net profit	1,461,165	1,577,985
Less: Dividends	1,362,668	1,362,667
Surplus for year	98,497	215,318
Earned per Share	$0.75	$0.81
Paid‡	0.70	0.70

‡Dividend payable in Jan. of following year included in appropriations.

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash & bullion	$1,615,573	$1,666,361
Accts., etc., rec.*	399,123	434,605
Govt. & oth. bds.‡	351,094	554,978
Shareholdings▲	973,264	852,332
Supplies	1,003,704	976,682
Total curr. assets	4,342,758	4,484,958
Prep. & def. chgs.	70,215	85,357
Invest. in subs., etc.	7,354,879	6,369,559
Mng. cls., props.	6,320,043	6,320,043
Plant & equip.†	414,084	378,417
Total assets	18,501,979	17,638,334
Accts. & tax. pay.	263,790	324,441
Other liab.	661,780	647,532
Total curr. liab.	925,570	971,973
Reserves	4,354,708	4,354,708
Capital stock	7,000,000	7,000,000
Paid-in surplus	3,606,389	3,606,389
Earned surplus	2,615,312	1,705,264
‡Market value	323,000	568,180
▲Market value	2,827,000	2,869,120
†After depr. of	4,355,239	4,205,550
*Includes Cost-Aid.		
Working capital▲	3,417,188	3,512,985

▲Includes investments at cost.

OPERATING STATISTICS

	1952	1951
Tons milled	687,400	688,000
Average recov.	$8.44	$8.92
Ore reserves, tons	2,472,000	2,448,000

QUEMONT MINING CORP. reports 1952 operating profits of $5,848,036 vs. $7,169,830 in 1951. Net profit was $4,272,712 or $2.03 a share ($2.49). Exemption from corporate income tax ended Dec. 20.

A 14% wage increase, lower prices for gold and zinc and a lower copper grade in ore milled were responsible for the 1952 decline in earnings.

An increase of 136,000 tons in ore reserves was recorded during the year after milling 775,218 tons of ore.

An agreement was made with Donalda Mines to drive into Donalda property and to explore for Donalda's account from the 1,260-ft. level. This drive was advanced 993 ft. and was approximately 800 ft. from the Donalda boundary at year end.

INCOME ACCOUNT

Years Ended Dec. 31:	1952 $	1951 $
Production rev.	14,523,458	15,439,432
Less: Oper. exp.	8,675,422	8,269,602
Operating profit	5,848,036	7,169,830
Less Taxes	270,082	345,692
Deprec.	889,033	878,332
Def. devel. w/o	454,372	702,722
Interest	......	3,289
Add: Other income	47,163	......
Net profit	4,272,712	5,237,795
Less: Dividends	4,204,336	2,102,168
Surplus for year	68,376	3,135,627
Earnings per Share	$2.03	$2.49
Paid	2.00	1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$2,116,168	$1,384,510
Govt. bonds	1,578,270	298,050
Concentrates	2,899,394	3,604,646
Accts. rec.	20,092	28,704
Stores & prep. exp.	965,985	1,123,321
Total curr. assets	7,579,909	6,439,231
Def. develop.†	1,511,637	1,928,072
Mining prop.	1,019,714	1,019,714
Fixed assets*	5,477,349	6,272,058
Total assets	15,588,609	15,659,075
Accts., etc., pay.	620,126	753,188
Div. unclaimed	9,589	......
Total curr. liabs.	629,715	753,188
Capital stock	7,224,338	7,224,338
Earned surplus	7,734,556	7,681,349
*After depr. of	2,598,872	1,719,178
†After w/o of	1,984,258	1,277,736
Working capital	6,950,194	5,686,043

OPERATING STATISTICS

	1952	1951
Tons milled	775,218	772,781
Average recov.	$18.73	$19.98
Ore reserves, tons	9,574,000	9,438,000
Grade: Gold, oz.	.158	.159
Silver, oz.	1.06	.98
Copper, %	1.39	1.44
Zinc, %	2.77	2.68

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MINNESOTA & ONTARIO PAPER CO., Minneapolis, consolidated net profit of $5,218,263 for 1952 was 3.9% less than 1951 net of $5,432,438.

Net sales were $63,380,361, a company record, compared with 1951 total of $58,403,589.

Production also reached records in 1952. Output of pulp and paper totaled 288,562 tons, while insulite production was 434.5 million sq. ft. up 19.4 million from 1951. Company's National Pole & Treating division produced or processed 1,323,847 units of poles, posts and ties.

All three paper mills ran on a full six day per week schedule throughout 1952, despite heavy inventory liquidation by customers and consequent weak market demand in second and third quarters, reports President J. B. Faegre, Sr.

Normal winter decline in demand for insulite was evident in first two months of the year, during which one of the four insulite machines was shut down for modernization. From early March, increased sales volume allowed insulite mill to operate at maximum capacity.

"The outlook for 1953 is encouraging," says Mr. Faegre.

Capital expenditures for modernization of plants and installation of additional facilities totaled $5,105,161 in 1952. Construction of new modern grinder room and facilities at Fort Frances is progressing; new water wheels and gerators are to be installed.

Among major items remaining in company's modernization program are additional steam and turbine installations at International Falls, modernization of one additional paper machine at International Falls and two additional paper machines at Fort Frances. Expenditures on the program are expected to continue at about $5 millions annually for the next three years.

Finnish blocked investments, which were carried on company books at $1, were liquidated during the year, with concurrence of the Government of Finland, for $130,000.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1952 $	1951 $
Net sales	63,380,361	58,403,589
Net earnings▲	11,328,374	12,535,344
Less: Bond int.	190,111	67,306
Income taxes	5,920,000	7,035,600
Net profit	5,218,263	5,432,438
Less: Divds.	2,572,779	2,572,075
Surplus for year	2,645,484	2,860,363
▲After depr. and depl. of	2,781,137	2,571,272
Times All Interest Earned:		
Before depr. & depl.	74.22	224.45
After depr. & depl.	59.59	186.24
Earnings per Share and Dividend Record:		
Common	$4.06	$4.22
Paid*	2.00	2.00

*U S funds.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash & invest.	$7,334,561	$9,029,010
Accts. rec.	5,356,210	4,487,554
Misc. curr. assets	355,263	688,771
Inventories	15,501,926	13,187,766
Total curr. assets	28,547,960	27,393,101
Misc. assets	1,330,272	1,296,917
Fixed assets*	41,905,514	39,538,763
Total assets	71,783,746	68,228,781
Accts. pay.	3,865,390	3,418,516
Taxes pay.	3,276,165	7,225,256
Other curr. liab.	1,338,641	1,364,738
Total curr. liab.	8,480,196	12,008,510
Funded debt	6,000,000	1,947,000
Conting. res.	1,400,000	1,400,000
Capital stock	6,432,660	6,430,860
Paid-in surplus	21,765,083	21,642,778
Earned surplus	27,705,807	24,799,633
*After depr. and depl. of	25,610,580	23,159,317
Working capital	20,067,764	15,384,591

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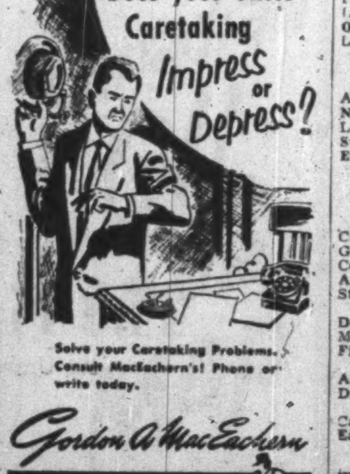

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OIL PRODUCTION

Western Geophysical Work Shows a Modest Upturn

From Our Own Correspondent

CALGARY—A modest increase in geophysical exploration activity in Western Canada oil areas has been shown in the last month and a half, according to a recent survey.

There are now 173 parties in the field, three more than during early February and 16 more than a year ago.

Alberta with 142 parties continues only second to Texas in this type of exploration work on the North American continent. Texas has 230 parties engaged.

Activity is on the increase in British Columbia where the number of seismograph parties has been stepped up from nine to 12 but Saskatchewan had a slight decrease with 17 parties at work.

There are still two seismograph parties working in Manitoba.

Imperial Oil continues Canada's top exploration and development company with 23 seismograph parties at work—20 in Alberta, three in Saskatchewan.

A total of 41 oil and gas discoveries was reported in Western Canada up to March 20 in 1953. This included four for the latest week and represented a discovery rate of almost one every two days. Of the discoveries, 27 indicated oil and gas, and 14 natural gas.

Over 85% of the discoveries were made in Alberta with six indicated discoveries for Saskatchewan. Manitoba and British Columbia are not reported in the scoring columns.

• • •

A recent discovery of oil which has caused considerable interest is that of **Amurex Oil Development Co.** in the Denhart area of Southern Alberta, 10 miles east of Princess and 25 miles east-northeast of Brooks.

Amurex struck approximately 25 deg. API crude in the Madison at a wildcat drilled on a 40,000-acre crown reservation acquired under farmout agreement from John Cossi and associates of Calgary and Los Angeles.

The discovery well, Amurex-Denhart No. 1-6 (L.S.D. 1 6-33-19-10w4) is two miles southeast of Los Angeles Alberta Pete. No. 2 capped gas discovery and about the same distance west of Anglo-Rainy Hills No. 1 abandonment. Top of the Madison was entered at 3,306 ft. There was a recovery of 390 ft. of clean oil with no water in a one-hour test of the interval from 3,305 to 3,320 ft. Coring is being continued.

Another prospective oil find was also recorded by Amurex, this time in the Crane Lake area of southwest Saskatchewan.

This well, Amurex-Albercan-Russell No. 1-4 (LSD 4-12-25w3) on Albercan farmout lands, is 11 miles northeast of Maple Creek. Oil encouragement was shown from two horizons—the Jurassic sand and Charles limestone.

The Jurassic indicated an 18-ft. porous sand with spotted saturation throughout while the Charles, which came in at 3,680 ft., yielded a small amount of free oil during drill stem tests. Results of tests in both formation have not been released. String of production casing, however, has been set to the Charles.

• • •

Tidewater Associated Oil Co. has started drilling at a new development well in the Wapella area of southeastern Saskatchewan and also has spudded a new exploratory venture in the Hawarden sector. The first well is an offset to the Wapella No. 12-34 oil producer.

Prado Oil & Gas and Trans Era Oils have staked locations for a new pair of development wells in the Chauvin area of east-central Alberta on Hudson Bay Oil & Gas acreage.

Imperial Oil has announced locations for five field development wells in various oil fields of Alberta and drilling of a gas development well in the Brock area of Saskatchewan.

New British Dominion Oil Co. and associates have spudded a wildcat on farmout lands in the Barons area of southern Alberta. This venture scheduled as a test to and including the Madison limestone, to around 5,000 ft., lies on a 2,520-acre spread of lease lands acquired under farmout agreement from **New Superior Oils of Canada** and **General Petroleums of Canada.**

CARLING APPOINTMENT

T. E. ARKELL

C. O. Dalton, President, The Carling Breweries Limited, announces the appointment of T. E. Arkell to the position of Vice President (Sales) and a Director of the Company. Mr. Arkell was formerly Sales Manager.

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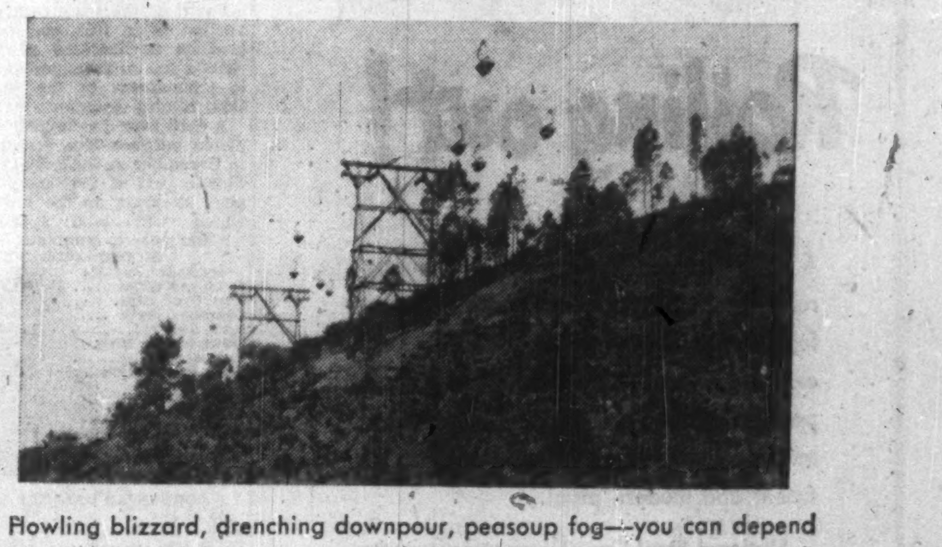

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GLASSHEAT APPOINTMENTS

H. B. BASKIN

B. H. BECKER

Marshall M. Foss, President of Glassheat of Canada Limited, announces the appointments of H. B. Baskin, Toronto, as Assistant to the President and Manager of the company's newly formed Appliance Division, and Bruce H. Becker, Montreal, as Secretary-Treasurer of the company. Mr. Baskin was formerly with Young and Rubicam Ltd., and Mr. Becker with Clarkson, Gordon and Company, Chartered Accountants. *

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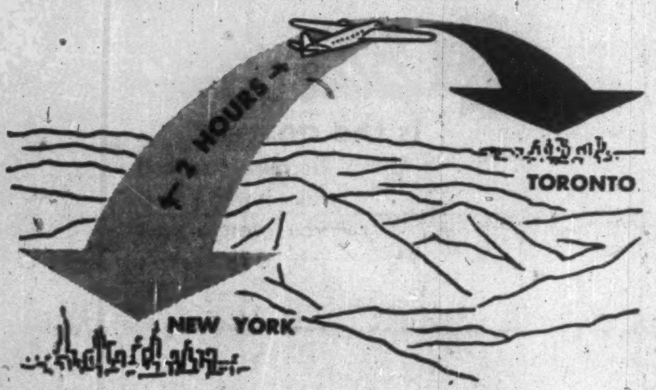

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Gunnar Adds to Fine Ore 7 More Drill Holes Click

Drilling of grid pattern vertical drill holes at the Beaverlodge property of Gunnar Gold Mines has extended the ore picture to the east with good ore intersections in seven further drill holes.

Two of the holes (Nos. 25 and 27) are in the second tier, east of the original north-south cross-section in the present drilling program. Two other holes are in the third tier (Nos. 26 and 28) while there are three holes (Nos. 31, 33 and 35) in the fourth tier.

Drill hole 25, 75 ft. south of No. 23, from 140 to 320 ft. has returned 180 ft. of core averaging 0.25% or $36.25 a ton at the $7.25 a lb. price for uranium oxide.

Drill hole No. 27, 75 ft. south of No. 25, from 235 to 345 ft. gave 110 ft. averaging 0.15% or $21.75 a ton.

Jumping to the third tier, No. 26 hole, 75 ft. south of No. 24, returned 220 ft. of core starting at 130 ft. averaging 0.25% or $36.25 a ton.

No. 28 hole, 75 ft. south of No. 26, was a very good hole with 135 ft. of core starting at 245 ft. averaging 0.32% or $46.40 a ton.

No. 31 hole in the fourth series and 75 ft. south and 75 ft. east of No. 28 gave 55 ft. of core averaging 0.1[illegible]% or $20.30 a ton starting at 265 ft.

No. 33 hole, 75 ft. to the north of No. 31, gave 35 ft. between 255 and 290 ft. averaging 0.16% or $23.20 a ton and 15 ft. from 395 to 410 ft. averaging 0.14% or $20.30 a ton.

No. 35 hole, 75 ft. north of No. 33, returned 110 ft. of core from 150 to 260 ft. averaging $23.20 a ton.

Continued Widening

"This drilling indicates that the ore zone (called 'A' zone) is continuing to widen with grade holding at approximately the same general over-all average," the company reports.

At the present time holes No. 29 to the south of No. 27 and the hole No. 37 east of No. 24 have been drilled but assays have not been received. Holes Nos. 32 and 39 have been started, one to the south and one to the east of previous drilling.

When further ore delineation has been completed to the east and north and south of present holes to the east of the original cross-section, the drills will then move to delineate ore to the west. The fine intersection of ore in old incline No. 10 hole to the northwest of the area at present being "gridded' suggests promise for this area.

While no official estimate of ore is being given out at this time, details on drilling results already provided will permit mining engineers to estimate fairly closely the tonnage and grade of ore disclosed by drilling for holes for which assays are available.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the compa-

LEITCH GOLD MINES earnings were slightly lower at 6.7 cents in 1952 (7.1 cents in 1951) despite improvement in recovery and tonnage of ore milled. Lower prices for gold and increased costs were primarily responsible for poorer results.

A total of 400 ft. of ore was opened in No. 16 vein in the west drive at the 16th level averaging 1.071 oz. gold over 8.1 in. Other exploratory work on new veins did not disclose ore but some ore was opened in No. 3 vein at the 17th level. A winze is to be sunk below the 19th level approximately 1,200 ft. west of the main shaft.

Noland Mines, in which an interest is held, suspended operations in 1952 pending more favorable conditions while lower profits were experienced by Highland-Bell in which a substantial interest is held.

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Bullion prod.	$1,006,465	$918,891
Less: Oper. exp.	774,505	654,234
Net oper. earn.	231,960	264,657
Add: Sund. rev.	22,798	33,427
Est. Cost-Aid rec.	75,201	55,632
Total net earns.	329,959	353,716
Less: Def. devel.	......	8,513
Deprec.	53,780	58,453
Outside explor.	......	1,653
Res. for taxes	82,300	79,000
Net profit	193,879	206,097
Less: Dividends	233,000	233,000
Deficit for year	39,121	26,903
Earned per Share	$0.067	$0.071
Paid	0.08	0.08

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash & bullion	$264,905	$267,881
Accts. rec.	10,284	2,117
Est. Cost-Aid rec.	75,200	55,632
Invest. at cost*	323,153	294,547
Mat. & supplies	120,303	117,676
Total curr. assets	793,845	737,853
Partic. in Noland M. L.	......	29,313
Prep. & misc. items	11,191	19,094
Timber rights	1,522	3,033
Mining props.	121,337	121,336
Plant & bldgs.▲	307,324	343,494
Total assets	1,235,219	1,254,123
Accts., etc., pay.	47,425	52,134
Taxes payable	54,387	46,175
Total curr. liabs.	101,812	98,309
Capital stock	545,505	545,505
Earned surplus	587,902	610,309
▲After depr. of	760,477	740,942
*Market value	207,793	270,557
Working capital	692,033	639,544

OPERATING STATISTICS

	1952	1951
Tons milled	36,276	29,988
Aver. recov.	$27.74	$30.64
Ore reserves, tons	103,882	118,595
Grade ($35 gold)	$21.53	$24.22

PAMOUR PORCUPINE MINES realized a net profit of 3.3 cents a share in 1952 vs. 5.8 cents in 1951. Operations showed a net loss of 2.9 cents a share but cost-aid amounted to 6.2 cents.

A record tonnage was milled—1,670 tons daily—and ore reserve tonnage was practically unchanged at the end of 1952, although average grade dropped 14 cents a ton.

Based on the same costs and production as in 1952, cost-aid should produce an increase of about 12 cents a ton in revenues in 1953 due to amendment of the Emergency Gold Mining Assistance Act.

A drift over a mile long was completed between Nos. 3 and 4 shafts in December at the 2,400-ft. horizon. This is part of the heavy development program on the lower levels which will take approximately another year to complete.

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Metal recoveries	$1,[illegible],583	$2,053,826
Less: Oper. exps.	2,027,116	1,913,023
Operating profit	*91,[illegible]	140,[illegible]
Add: Cost-Aid	312,063	263,[illegible]
Other income (net)	102,767	102,742
Net earnings	[illegible]	[illegible]
Less: Depreciation	[illegible]	33,[illegible]
Dev. exp. w/o	122,000	182,000
Net profit	165,687	[illegible]
Less: Dividends	150,000	200,000
Surplus for year	15,687	91,[illegible]
*Loss.		
Earned per Share	$0.033	$0.0[illegible]
Paid	0.03	0.04

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash & bullion	$211,235	$277,852
Accts. rec.	38,350	46,281
Cost-Aid assist	126,000	110,800
Stores, bk. val.	396,193	[illegible]
Total curr. assets	772,978	842,317
Mkt. secs.*	2,904,412	2,904,412
Prep. & def. chgs.	18,372	21,176
Def. dev. exp.	[illegible]	[illegible]
Mine property	162,823	162,823
Plant & equip.▲	215,880	195,156
Total assets	[illegible]	4,291,297
Accts., etc., pay.	171,234	210,806
Taxes payable	......	8,152
Prov. equal. replace. costs	37,[illegible]	31,492
Total curr. liab.	[illegible]	[illegible]
Capital stock	1,287,500	1,287,500
Earned surplus	[illegible]	2,653,348
▲After depr. of	2,045,823	2,021,780
*Market value	2,777,083	[illegible]
Working capital‡	564,698	591,766
‡Not including investments.		

OPERATING STATISTICS

	1952	1951
Tons milled	611,270	561,746
Average recovery	$3.17	$3.53
Ore reserves, tons	1,261,523	1,290,267
Grade ($35 gold)	$3.54	$3.68

BERENS RIVER MINES spent $505,201 on exploration in 1952 of which $416,682 was on ventures still under consideration.

Milnet Mines, 59% financed by Berens River, was brought into production in December, with 1,778 tons of ore averaging 1.87% copper and 2.25% nickel shipped to Falconbridge by year end. Berens River advances were $180,000 at Dec. 31. The Milnet ore body is expected to be mined out early in 1953.

Two drill rigs have been carrying out further diamond drilling this winter on nickel properties totaling 22 claims optioned from Dee Explorations at Mystery Lake, Northern Manitoba. In drilling the TUC group beneath the north end of Mystery Lake last summer, low nickel values (below ore grade) were encountered but the possible large volume of mineralized peridotite justified further investigation.

Berens River purchased 125,000 shares of Lardeau Lead & Zinc Mines at 40 cents and has options on 1,875,000 shares at 40 cents and 800,000 shares at 50 cents. Further drilling is planned this spring.

Control has been assumed of Sunshine Lardeau Mines which Berens River has agreed to lend up to $500,000 ($175,000 advanced at year end), with one common share to be received as bonus for each $1 advanced for debenture purchase. Berens River also received options on 280,000 shares at 60 cents and 250,000 shares at 90 cents. A substantial increase in ore reserves is stated to be indicated over the 70,000 tons averaging 0.095 oz. gold, 16.5 oz. silver, 9.5% lead and 8.3% zinc reported Oct. 31. A 50-ton mill is installed.

Berens River reported a $44,901 net income in 1952. Current assets exclusive of advances to other mining companies amounted to $483,981 at Dec. 31 1952 (including investments at market value) against accounts payable of $233.

Broulan Reef Output Jumps

"Production for the first quarter of 1953 will be much higher than during the first quarter of 1952, due to the higher grade of ore mined" declares President Bert W. Lang of Broulan Reef Mines.

A "very encouraging" amount of visible gold has been noted throughout operating stopes and this has naturally been reflected in the ore reaching the mill. In addition some recent development work has been encouraging.

Broulan has been enjoying fine ore developments at its Bonwhit mine, the Hugh-Pam mine is in regular production at 4,000 to 5,000 tons of ore per month and the new hoist placed in operation in December has permitted an increased scale of mining operations.

High Grade Raise

On Broulan's wholly owned Bonwhit property, a raise recently completed from the 800 ft. to the 650 ft. level in the high-grade ore zone averaged an uncut grade of 3.90 ozs. ($136.50) per ton on chip samples and 1.56 oz. ($54.60) on muck samples. These averages compare with 3.46 oz. ($121.10) on face chip samples and 2.09 oz. ($73.15) on muck samples, over a width of 10 ft., for the 230 ft. length opened on the 650 ft. level. About 200 ft. north of this high-grade ore body on the 650 ft. level, a narrow high-grade vein has been drifted on for a length of 110 ft. with an average of 0.33 oz. per ton on face chip samples over drift width of 9 ft. The vein which is about one foot in width, averages several ounces per ton and the last face assayed 1.63 ozs. across the vein width of one foot. A cross-cut is being driven on the 650 ft. level to explore a drill intersection of 2½ ft., assaying 0.76 oz. per ton, which may represent another ore zone.

The drift on the 1,120 ft. into Bonwhit is being continued after being stopped for routine drilling to explore the adjoining areas. Crosscuts are under way to explore the ore zone on the 1,270 ft. and 1,420 ft. levels.

Encouraging results are being secured in stoping on the lower levels at Hugh-Pam where the stopes are proving to be wider and higher grade than indicated by results from drifting on the levels.

Operating efficiency is being increased and costs reduced by utilizing new and improved methods and equipment. The new hoist reduces operating costs due to its higher hoisting speeds.

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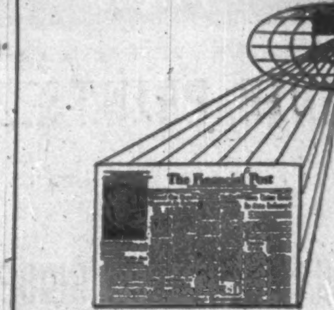
Spring Coulee Buys U.S. Wells

Spring Coulee Oil Corp., in a deal embracing more than $500,000, has acquired over 1,116,000 bbls. of net recoverable proven oil reserves with 50 producing oil wells and three gas wells in the West Kevin Sunburst field known as the Shay properties.

The purchase involves $400,000 in cash payments over six years from production and 340,000 shares of stock with a market value of over $100,000. The purchase was partly financed by an eastern group which bought 650,000 shares, representing the balance of the treasury stock, for cash.

The company's property in Montana will be operated through a wholly-owned Montana subsidiary called Springmont Oil Corp.

How do you measure reader-enthusiasm, influence of The Post?



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Fort Frances Results Encouraging Widespread Ore Chances Indicated

The Emo area, 20 miles west of Fort Frances, this week continued to look like extremely intriguing country from a nickel mining standpoint.

Initial two holes completed at Falconbridge Nickel Mines have returned assays in nickel, copper and cobalt. While the material was far from jackpot stuff, the values are regarded as encouraging both for the immediate sector tested and the area at large.

Assays are available on samples from both the two initial holes reported last week but footages and location of assays was not available so that no detailed statement on results is possible. There appears likely to be a central section of definite ore grade in each hole with wide sections of disseminated material carrying lower values.

It will be recalled that the initial hole, D-1, under the trench, was on the southeasterly of two electro-magnetic anomalies while D-2 was on a separate anomaly and offset about 50 ft. to the southwest.

D-3 hole, 100 ft. northeast of D-2, has shown sulphides from 130 to 147 ft. of which the first 6 ft. was rocky massive sulphides comparable to those in holes D-1 and D-2 with the balance disseminated and very uniform.

D-4 hole has shown massive and disseminated sulphides from 104 to 117 ft. but the massive and disseminated sections were not differentiated in the report from the property.

No assays are yet available on the two latest holes. Assays are run at Falconbridge mine in Sudbury and it takes about a week to get results back. Gabbro is the host rock in the area.

Cobalt A Surprise

The cobalt value, coming as quite a surprise, appears to be present about one part cobalt for each 10 parts of nickel. Like nickel, it is in the strategic category and commands a price of $1.40 a lb.

The magnetic anomalies in the general area of present drilling are king-size.

The big anomaly area being explored by drilling is about the westerly third of the anomaly which lies outside and to the west of the Indian reserve. This is the only part of the anomaly to be explored by the followup electromagnetic survey which outlines conductors for drilling. Survey work is now being activated on the part of the anomaly lying inside the reservation and to the north. The part of the anomaly in the Indian reserve, on the magnetic map, is more intense than outside.

The anomaly mentioned is about 5,000 ft. across and drilling is on its southwest flank. A second anomaly to the southeast is comparable in size, being 6,000 ft. across.

The southerly part of this anomaly is located on the Sudbury Northrim ground where arrangements are being made with McPhar Geophysics for an electromagnetic survey as a preliminary to diamond drilling.

The original nickel discovery in the Fort Frances area was made in the area represented by the second anomaly. A road was bulldozed through the area and reports state that disseminated sulphides were in evidence at the road location for a length of 240 to 265 ft. which could be along strike or width.

Sudbury Northrim has at least two other anomalies to the south.

Company Competition

There has been competition among companies to tie up ground. The fact that there are nickel-bearing sulphides in the two airborne magnetic anomalies tested opens up interest in the possibilities of establishing a new field. Obviously companies haven't been handing out their area knowledge freely with mineral rights acquisition still to the fore.

Getting a land spread has been almost entirely a matter of taking options on mineral rights from farmers. Outside of Falconbridge's own staking of claims within the Indian reservation, a Falconbridge official could only recall one instance of claims being staked.

With no claim staking maps available, and companies still closely guarding details of most of their property acquisitions, it may be some weeks before details of the picture become clear. But mineral rights acquisition has already extended out into what is presumed to be the fringes of the main favorable area and a great deal of land has been taken up for investigation.

Beaucage Funds From Inspiration

Arrangements have been made by Inspiration Mining & Development Co. to place adequate funds in the treasury of Beaucage Mines. These initial funds are calculated to be sufficient to carry out the preliminary work which is in prospect for the immediate future.

As additional funds are required by Beaucage, further options will be exercised by Inspiration. The latter company is taking down treasury shares of Beaucage and a division of this interest with other companies is said neither pending nor contemplated.

• Trees don't grow to the sky! . . . And investors will do well to remember this if they are thinking about buying low-yielding, so-called growth stocks. Before doing this, why not ask us something about the basic values underlying the stock you are thinking about — its assets, present earning power and reasonably projected outlook.

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COMPANY REPORTS

For a chart on the growth of Noranda Mines Ltd., one of the stocks chosen in The Post's "Selected Growth Stocks," see p. 25.

NORANDA MINES reports highlights of 1952 operations as follows:

Net profit of $12,209,722 or $5.45 a share vs. record 1951 earnings of $5.70 a share.

An increase in investment income to $2.76 a share ($2.48 in 1951) reflecting greater dividends from Waite Amulet Mines.

Start on construction of the 6,500-ton capacity plant of Gaspe Copper Mines to be made this spring.

Letting of contract for construction of initial sulphur-iron plant in the Niagara Peninsula with plant expected to be in operation by mid-1954.

Completion of $30 millions of new financing for new projects in January, 1953—$20 millions of 4¾% 15-year sinking fund debentures and a $10 million revolving bank credit.

Well advanced plans on plant design and mill layout for the 1,500-ton mill for the Macdonald zinc-pyrite property where it is anticipated a lease will be converted to a stock interest in a new company.

Of 1.4 million tons of ore mined at the Horne mine, extensions of ore beyond previously estimated boundaries provided 400,000 tons, balance being met from ore reserves.

Driving of the main adit was completed at the property of Gaspe Copper Mines and shaft sinking started early this year. An additional two million tons of ore were indicated by exploratory diamond drilling, bringing total reserves to 67 million tons averaging 1.3% copper. "A modern townsite has been laid out in an attractive setting in the hills and a thriving community of 4,000 people or more should develop in the next few years," the report says.

Two options taken by Noranda in the Bathurst area of New Brunswick were drilled. One group showing a small copper deposit is being retained. A participation has been taken in extensive staking of anomaly areas in the district.

One low grade copper area and another smaller body of medium grade gold ore were outlined on Noranda's Deer Lake claims in the Kenora area of Ontario. Nickel prospects in the Sudbury and Western Ontario areas are being investigated. Drilling is being carried on at Flin Flon and two groups of claims are held at Beaverlodge.

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
	$	$
Total income	26,964,860	27,654,454
Less: Oper. exp.	10,387,400	9,634,485
Net earnings	16,577,460	18,019,969
Less: Deprec.	615,454	601,655
Res. for taxes	3,475,503	4,439,775
Explor. w/o	276,781	209,676
Net profit	12,209,722	12,768,863
Less: Divds.	8,959,088	8,959,088
Surplus for year	3,250,634	3,809,775
Earnings per Share	$5.45	$5.70
Paid	4.00	4.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$763,020	$5,887,967
Call loans	......	25,130
Accts., etc., rec.	1,108,532	500,637
Bds. & stks.*	5,602,559	8,070,627
Smelt. & refin. toll	1,326,440	1,363,347
Ref. settlements	13,290,513	8,732,103
Supplies	1,700,739	1,787,896
Total curr. assets	23,791,823	26,427,727
Mtge. loans	844,051	925,151
Chgs. to oper.	344,761	508,436
Prosp. & expl.	267,438	120,767
Inv. in sub.	13,770,313	13,752,080
Inv. in affil. & other cos.	†12,860,243	12,654,351
Adv. to sub. & affil. cos.	5,867,274	465,652
Mng. claims	919,779	919,779
Plant & equip.	18,036,643	17,816,268
Hotel, etc.	3,208,224	3,087,301
Less: Deprec.	17,389,930	16,939,392
Total assets	62,720,619	59,338,129
Bank overdraft	2,196,340	......
Accts. & tax. pay	3,075,619	4,453,528
Customs ore pay	3,012,254	4,045,961
Unclaimed divs.	190,385	243,244
Total curr. liab	8,474,598	8,742,733
Invest & cont. res.	5,051,559	5,051,559
Capital stock	11,303,140	11,303,140
Surplus	37,891,322	34,640,688
*Market value	5,639,882	8,633,333

†Incl. in deferred assets in co's report.

Cont. Liab.—Guaranty of interest and principal on $2,975,000 mtge. bonds of Noranda Copper & Brass.

Working capital	15,317,225	17,684,994

OPERATING STATISTICS

Ore reserves:	*1952	*1951
Sulphide ore, tons	14,631,780	15,626,140
Copper, %	2.25	2.24
Gold, oz.	0.186	0.186
Silicious fluxing ore, tons	948,153	935,750
Copper, %	0.09	0.08
Gold, oz.	0.122	0.121

*3,370,000 tons in Chadbourne ore body and in No. 5 body of Horne mine not included above.

Tons treated	1,399,665	1,328,368
Average recovery	$14.80	$16.53

Unlisted Mines, Oils

(By the Broker-Dealers' Ass'n of Ontario)

Approximate quotations, 3 p.m., March 23, subject to confirmation and change. An asterisk (*) indicates an increase in price; a dagger (†) a decrease in price.

	Bid	Ask
Abenakis	2½	4
Advance	*4½	5½
Alexander	7½	8
Ama Kirk	5	7
Amax	†98	103
An'maque	3	5
Arctic	3	5
Argonaut	2	3
Barber N	2	4
Baska	†58	63
Beacon	10	12
Beauriv	3	4
Bi Ore	3½	5
Biroco	5	7
Blondor	1	2
B McDade	7	9
Bour C	3	5
Bouzanne	3	5
Braminco	14	18
Bright RL	1	2
Brilund	158	163
Burley Por	1½	3
Camlaren	4	5
Camray	4	6
Captain	6	8
Cassidy	1½	2½
Cent Man	18	20
Clix	†23	30
Cody Re	180	185
Columbier	2½	3½
Columind	30	35
Comstock	..	18
Conecho	6	8
Con Chib	33	..
Con Copp	11	12½
Crack T	†200	225
Craibbe	*12	15
Croydon	2½	4
Cuyuni N	4½	6
Derlak	3	4
De Sant	4	5
Destorada	5	7
Doris	3	5
Dunvegan	†17	19
Durham	†13	17
E Lund	3½	[illegible]
Echo Ind	2	3
El Bonanz	6	8
Elmac	4	6
Erin Kirk	1½	2½
Fleming	8½	11½
Flicka	2½	3½
Forty Fr	90	102
Gan Cop	3	4
Gaspe	1600	1800
Glencona	6½	[illegible]
Golpac	..	5
Gov Gold	2	4
Gr Chib	110	140
Greenlee	6	8
Gui Por	†55	60
Habitant	4	6
Halden	2	4
Halkin	5	8
Harker	3	4
HG Yung	†53	65
Hornfault	9	11
Hotstone	4	5
Indepen	†29	32
Insco	†11	13
I Ceramic	..	20
Isle Pines	6	8
Iso	100	110
Jardun	*24	28
Jerome	†15	18
Jo Indian	..	42
Kamlac	16	18
Ken Bay	12	15
Kenda Per	5	7
Kenogami	8	10
Lk Expan	9	11
Lar Add	2	4
Larum	†62	66
LaSalle	2½	3½
Lassie	11	14
Lennie	2	4
Le Pine	..	5
Lower Can	2	3
Lun Echo	†15	18
Lyndh'st	†27	30
Maller RL	2½	4
Marquette	1	2

	Bid	Ask
Mar Bird	1½	2½
Mary Ann	†2	3
Mate Yell	6	7
McManus	3	5
McCuaig	3	5
Meta	34	37
Miles RL	3	4
Mindus	40	45
Mistassini	2	4
Mt Keno	23	27
Mohawk	2½	3½
Murmac	6	7
Nat New	†13	15
New Aug	4	6
Newcor	3	5
New Mal	5	7
N Redwd	8	10
N Walcoro	3	5
Nickel Lk	15	17
Nickel O	275	300
Nipiron	†57	60
Norbeau	80	90
Norbec	18	23
Norcourt	3	5
Norford	*2½	4
Normar	2	4
Novel P	5	6
Obalski O	3	5
do '45	20	23
Oklend	4	5
Olivet	1	2
Orofino	10	11
Ortona	6½	7½
Parquet	..	10
Pascalis	10	12
Payne	4	6
Pelangio	3	4
Phelps	1½	2½
Pole Star	33	35
Presdor	2	4
Privateer	4	6
Quejo	5	7
Que Sr	15	17
Quest	2	3
Quyta	8	10
Rainville	†36	40
Rand Mal	8	10
Randona	4½	6
Raymond	†2	3
Redruth	3	4
Redwood	3	5
Rexspar	95	105
Rhyolite	2½	3½
Richgroup	8	10
Russet	3	5
Rugged	4	6
Salm Con	35	40
Santiago	15	17
S Dufault	3½	5
Sheldon	12	14
Silv Arrow	4	6
Silv Lake	2½	3½
Skynner	1	3
Snow Lake	4	6
Starlight	†9	11
Sud Mid	†27	30
S N Rim	†45	48
Sunbear	2½	3½
Tazin	50	53
Tobico	1	2
Vauz Duf	4	6
Viking	15	20
Wesley	3	5
Wenga	..	15
West RL	3	5
Wildore	1½	3
Y David	8	10
Yelknife	225	..
do vt	225	..
OILS		
Alberfield	30	35
Cdn Sup	10½	11
Franco	55	60
Major Oil	4	5
Model	†96	110
Nw Ranch	*14½	16
O Smoky	†65	70
Paige Pet	26	32
Signet	42	48
Vermn C	12	13
West Loc	12	14
West Terr	28	32

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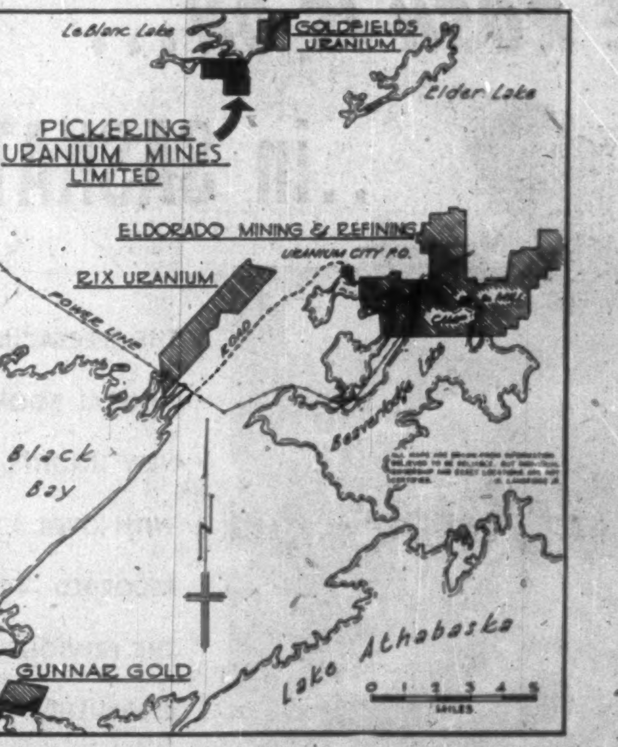

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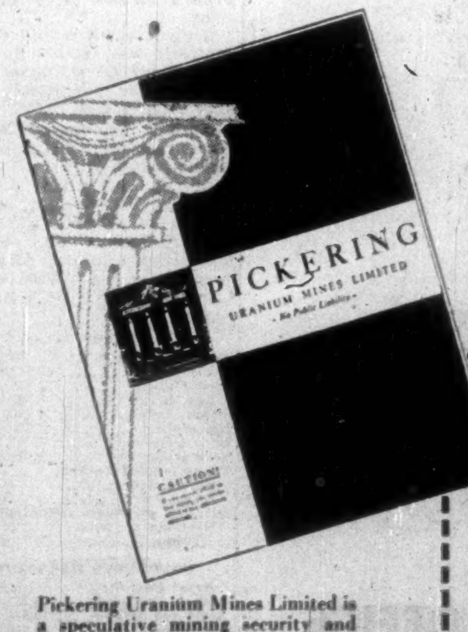
A glance at the map of this area will readily reveal the location of the Pickering ground relative to some of the famous operations in this district.



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ASSETS	
Cash in Bank and due from Agents	$ 113,948.09
Investments	1,533,871.00
Accrued Interest and other assets	47,169.48
TOTAL	$1,694,988.57
LIABILITIES	
Provision for Unpaid Claims	109,935.80
Reserve for Unearned Premiums	445,671.37
Provision for taxes, other liabilities	40,906.67
TOTAL	$ 596,513.84
Paid Up Capital	200,000.00
NET SURPLUS	898,474.73
	$1,694,988.57

Surplus to Policyholders $1,098,474.73
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LONDON CALLING—*By Adelphi*

Mr. Eden's Fortunes Fading

Popular Budget Can Boost Butler Leadership Chances

LONDON—Poor Anthony Eden moves deeper into the twilight. When he talked to Naguib in Egypt about the future of the Sudan and the evacuation of the Canal Zone he was deeply impressed by the character and the sincerity of the soldier who had thrown out Farouk and called for honesty in Egyptian politics.

Trusting Naguib, Eden agreed with him that the Sudan should make its choice and, when that was done, the British would withdraw from the Canal. When Eden reported this to the House of Commons he was given a pretty rough reception. The Tories, especially, have a historic distrust of Egyptians and they were not prepared to believe that an honest man had emerged from the tombs of the Pharaohs.

Eden could not say in public: "Well what else could we do?" At any rate he stubbornly maintained his confidence in the honor and sincerity of General Naguib.

But this week the General erupted. He said that the British must get out of the Canal Zone right away. He was not prepared to wait for the talks with the Sudan.

Not for the first time in history has a strong man overestimated his strength. The Egyptian army can only frighten itself. It was unable to beat even the improvised army of Israel.

* * *

Neguib Too Demanding Eden To Get Tough,

I predict that Eden will be tough. At heart he is a fighter, and it is only diplomacy which has forced him to behave like a sucking dove. I predict further that Churchill will tell him to do his job from London for a change and stop running around the world like a bagman.

I just cannot see the British evacuating the Canal Zone at the order of Naguib, and he seems to have overplayed his hand ridiculously in demanding it.

You will agree, however, that Mr. Eden is sailing in rough waters, also that this will lend a special interest to "Rab" Butler's Budget which is almost upon us.

Butler is personally loyal to Eden and would be not only willing, but eager, to serve under Eden if he succeeded Churchill. Yet if Butler's Budget is founded on solid Conservative principles he will become a clear favorite for the Leadership Stakes.

* * *

Tito Visit Has Its Ludicrous Aspects

Well, that was Tito's visit. Seldom in the history of official receptions has there been anything so ludicrous. Our guest was herded, hemmed and harried about, with police flanking him at every angle and traffic diverted in all directions.

He sailed up the Thames like a conqueror but was hustled off the ship like a stowaway. I am not suggesting that Tito was unduly nervous. He is a tough fellow but the British intended to return him to Yugoslavia intact.

Throughout the visit the Roman Catholics maintained their protests but in a perfectly orderly manner. In fact, the only untoward incident was when some wag let off a harmless little phosphorescent bomb in the crowd. It could not have injured a kitten.

Already, people are pointing out the absurdity of this concordat with Communist Tito while we refuse to recognize Franco whose principal crime was that he defeated the Communist uprising in Spain. Perhaps Churchill is influenced by what Hitler said of Franco after these two dictators had talked together for three hours in the war.

"I would rather have three teeth out," said Hitler, "than have another conference with him."

* * *

No Harm Done—And Not Much Good

In fairness, we must admit that Tito behaved well. He was taken to see all the sights including the Tower, the Ballet at Covent Garden, and he balanced things well by lunching one day at Buckingham Palace and dining the next night at the House of Commons with the Executive of the Labor Party.

This was how a very shrewd Tory politician summed it up: "No harm has been done by the visit and no particular good. Instead of showing Tito a democracy we showed him an improvised police state. No doubt he was flattered by being entertained at Downing Street and Buckingham Palace but that would not deter him for a moment from rejoining Russia if Malenkov came to terms. If he fights on our side it will be because it suits him."

The tragedy is that six brave young pilots went to their death as the result of the visit. Four were killed while escorting his ship and two were killed at an air display put on for him. Dictators get the headlines and young men the anonymity of death.

* * *

Vivien Leigh Collapse Shocks Theatre World

The entertainment world of London is deeply perturbed by the collapse of Vivien Leigh. Traditionally there is always a royal family of the theatre in London and the present incumbents are Sir Laurence Olivier and his wife.

I know them both well and her collapse does not come as a surprise. She has absolutely no interest and no life outside the theatre. Nothing is real to Vivien Leigh except the unreality of the theatre.

She has no hobbies, no interests, no enthusiasms but the theatre. Her present collapse undoubtedly had its origin in the time she spent in "A Street Car Named Desire" both on the stage and on the screen. Miss Leigh played the role with such intensity that she could not throw off the part after the play was over.

Olivier is a charming and gifted fellow who has adopted, perhaps by necessity, a manner of complete imperturbability. In the war, he enlisted as a naval pilot but after a few flights the Navy came to the conclusion that Olivier was more dangerous to the British on the ground than the Germans in the air.

So he and his fellow pilot, Ralph Richardson (they are both knights now) took over the defunct Old Vic Theatre, moved it to the West End and, accepting only nominal salaries throughout the rest of the war, did more than anyone in years to restore the glory of the London stage.

The Old Vic productions of that period were unforgettable nor did they close down for a single performance even when the doodle bugs arrived.

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Frederick M. McGovern, Toronto, whose appointment as Vice-President of Union Acceptance Corporation Limited is announced by Frank E. Burroughes, President. Mr. McGovern has been a Director of the Company since 1945. Mr. McGovern is President of Thor — Canadian Company Limited. *

COMPANY REPORTS

CANADIAN WESTINGHOUSE CO. net profit of $2,964,984 for 1952 was 14.4% less than 1951 net of $3,461,969.

An outstanding factor contributing to decrease in profits was higher labor costs, including $303,000 in retroactive wages and salaries, reports President H. H. Rogge.

The problem of operating profitably has been further aggravated by increasing domestic competition and price pressures resulting from Canadian dollar premium, which has stimulated importation of electrical products, says the president.

Rapid expansion of company's manufacturing facilities in Hamilton and elsewhere and heavy capital expenditures requiring a 4½% debenture issue during 1952, were also responsible for some of higher operating costs.

Substantial improvement in home appliance demand occurred following government's repeal of anti-inflationary fiscal measures in April, 1952. Demand remained strong throughout balance of 1952 and gives promise of continuing at a high level this year, says Mr. Rogge.

Several products were added to appliance line, notably a new electric dishwasher and a new electric clothes dryer. Demand for television sets outran production following inauguration of Canadian television broadcasting in September. This market is expected to be maintained at a high level for some time to come, says the president.

Business of company's air brake division, which had been unusually active during past three years, declined to more nearly normal levels in 1952.

Year's business of Canadian Westinghouse International Co. included the Forcacava project in Brazil, one of the western hemisphere's largest electrical installations.

"Only a small output on defense contracts was realized in 1952, but production is well under way and will increase appreciably in 1953," says Mr. Rogge. A number of important defense contracts have been received, while others are under negotiation.

Among important installations made in 1952 were the Otto Holden project of Ontario HEPC, 273,000 hp.; Aluminum Co. of Canada's 250,000 hp. Chute du Diable development; and a 105,000 hp. extension to Quebec HEPC's Beauharnois plant.

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net earnings	$7,783,580	$8,475,252
Less: Deprec.	1,499,582	1,350,283
Deb. int.	539,014	......
Dom. taxes	2,780,000	3,663,000
Net profit	2,964,984	3,461,969
Less: Dividends	1,147,144	1,147,119
Surplus for year	1,817,840	2,314,850
Times Interest Earned:		
Before deprec.	14.44	......
After deprec.	11.66	......
Earnings per Share and Dividend Record:		
Common	$5.17	$6.04
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash & Dom. bds.	5,351,928	1,022,517
Accts. rec. less res.	16,814,337	11,520,018
Inventories	41,006,034	35,482,420
Total curr. assets	63,172,299	48,024,955
Misc. assets	1,251,536	1,399,743
Fixed assets	a19,187,967	a13,681,748
Total assets	83,611,802	63,106,444
Accts. & tax. pay.	13,818,977	17,012,883
Adv. payts.	14,099,955	12,224,325
Serv. guar.	450,000	450,000
Total curr. liab.	28,368,932	29,687,208
Funded debt	20,000,000	......
General reserve	......	*
Capital stock	10,202,960	10,202,520
Surplus	25,039,910	23,218,718

aAfter accumulated depr. of $18,808,685 in 1951 and $19,671,290 in 1952.
*Restored to surplus.

Working capital	34,803,367	18,337,747

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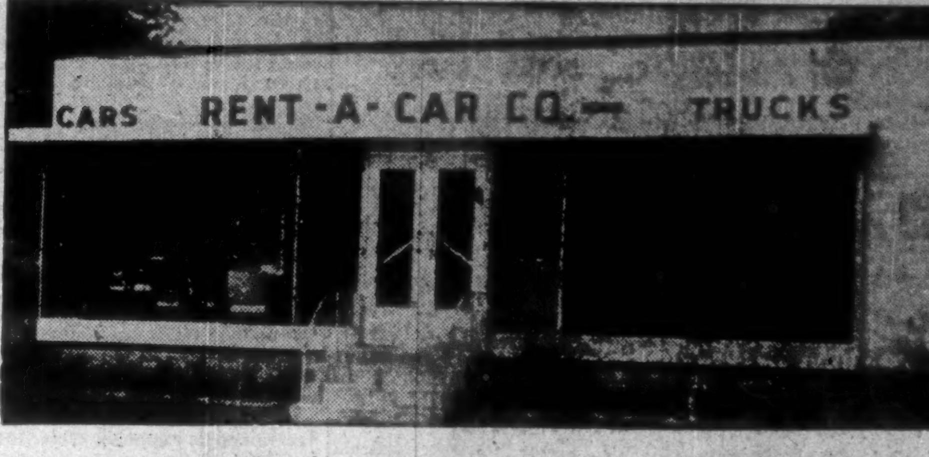
COMPANY, LIMITED
WALKERVILLE ONTARIO



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THE RUSH IS ON...
..in SASKATCHEWAN

THE SPECTACULAR MINERAL BOOM REACHED NEW HEIGHTS IN 1952, WITH OVER 4,100 CLAIMS RECORDED — ALMOST DOUBLE THE PREVIOUS HIGH ESTABLISHED IN 1951.
The prospector, with his Geiger Counter, is checking the rock structure near Uranium City in northern Saskatchewan for the precious uranium ore.
★
URANIUM — OIL — NATURAL GAS — COPPER
ZINC — COAL — SODIUM CHLORIDE — POTASH
— all are sharing in the province's rush of mineral activity.
SASKATCHEWAN IS YOUR BEST BET FOR MINING OPPORTUNITIES!
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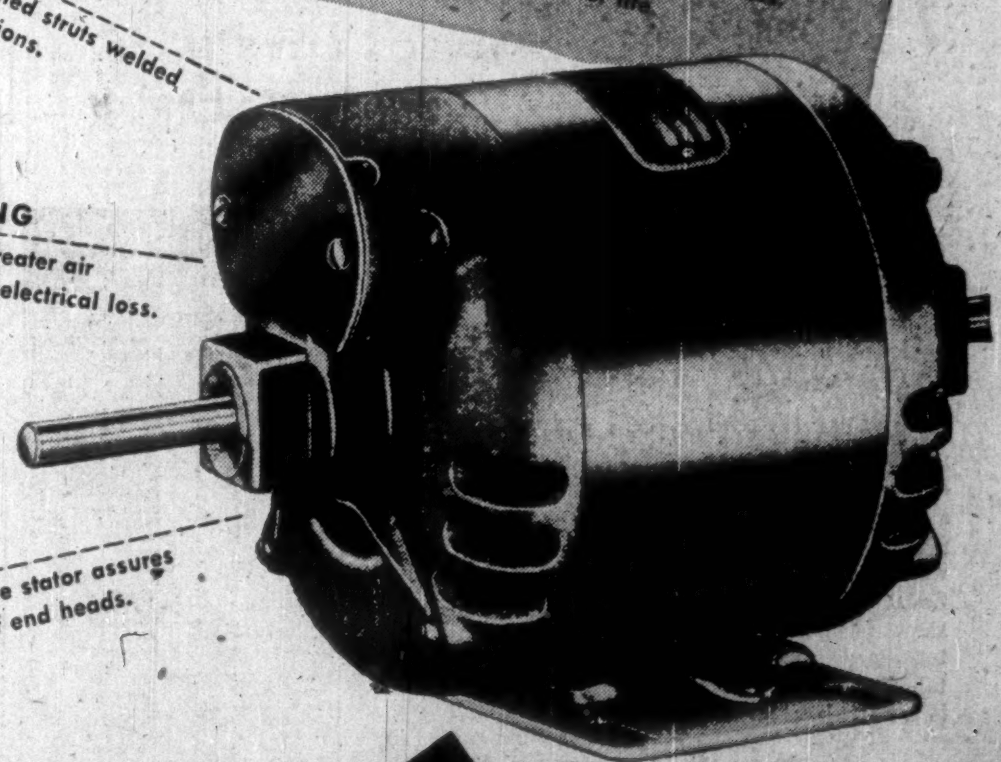
Hon. T. C. DOUGLAS, Minister
D. H. F. BLACK, Director

A startling *new* improvement gives you *three* big advantages!
RIGIDFRAME
FRACTIONAL HORSEPOWER MOTORS
Featuring an entirely new design in which welded-steel struts replace rivets thereby ensuring greater built-in sturdiness, reduced electrical losses and longer motor life.

STRONGER
Solid steel die-formed struts welded at eight exact locations.
COOLER RUNNING
New design provides greater air movement and reduces electrical loss.
LONGER LIFE
All-welded Rigidframe stator assures positive alignment of end heads.
Write for descriptive literature
IN FRACTIONAL-HORSEPOWER MOTORS... THE PACE SETTERS ARE
DELCO RIGIDFRAME MOTORS
Authorized UMS service stations from Coast to Coast.
UNITED MOTORS SERVICE
THE McKINNON INDUSTRIES LIMITED
St. Catharines Canada
A Subsidiary of General Motors Corporation
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The Financial Post

Canada's National Weekly of Business, Investment and Public Affairs.

20 cents

Vol. XLVII Twenty Cents an issue, Six Dollars a Year ★ Publication Office: Toronto, April 4, 1953 ★ Member of Audit Bureau of Circulations No. 14

Watchdog On Taxation

The Canadian Tax Foundation has been receiving increasing support from corporate and individual taxpayers in its efforts to study and develop interest in tax problems and getting increasing respect from governments for the soundness of its views. It now has 280 corporate subscribers (135 a year ago) and 890 (800) individual members. Chairman of the Foundation's board of governors for the coming year is T.A.M. Hutchison, F.C.A., resident partner in Toronto of the firm of Peat, Marwick, Mitchell & Co., chartered accountants. (Personality sketch, page 6.)

THE NATION'S BUSINESS

Let's Not Dance To Kremlin Tune

"By George, it looks as if there might be peace."

That was the yelp of alarm which we heard this week from a gent rushing to the phone to unload some stocks.

He was one of many in the western world who took fright at the apparent possibility that the Communists want to call at least a temporary halt in their offensive against us.

Well, so far as we are concerned, if today's kind of prosperity were dependent on continuance of war—cold or hot—we would say, let's have less of it. To be "afraid of peace" would be fantastic, horrible.

The Communists say our system must have wars or threat of war to avoid collapse.

That isn't true. But a peace panic would be a sorry advertisement for our way of doing things, and for the claim of businessmen that they represent cool, balanced judgment.

What are the facts in the case?

1. There can be no real peace with the Communists so long as they stand for cruelty and despotism and so long as they seek, in *so many ways, to tear down our institutions.*

If, today, all the guns on all the fronts where East is fighting West were to be silenced, our side would still be far from achieving the unity, the economic and armed strength essential to our safety.

Since World War II, Russia has won many big battles against us. The Soviet has gained enormously in territory and in industrial power. On our side there has been consternation, disunity, a wild chasing after the illusory advantages of narrow nationalisms—and merely the start on defense programs deemed minimum for the need.

In short, we have an awful lot to do before our safety is reasonably assured, before we can do without big defense budgets, before we can hope to live in a world of real peace.

2. Another fact in the case relates to the short-run, to the largely psychological effects of, say, the end of active warfare in Korea.

The Americans, particularly, would likely react to that happy event as if it were going to reduce the present break-neck speed of their prosperity. So would some Canadians.

Even if for a time slump psychology were to prevail there are strong dissimilarities today in the Canadian and American economic situations.

In Canada we are engaged in another major phase of frontier development. We have a long, long way to go—and in a world whose need for our metals, pulp and petrochemicals is constantly growing. These things the U. S. is running short of and it has pretty well finished with its frontier development.

Much of our present capital development is of the kind and at a stage where it can't be called off or postponed because somebody gets cold feet over the short-term economic weather forecast.

Because of its increased size and maturity, the Canadian economy is today much more immune to American gyrations than it was 25 or even 10 years ago.

So, both for the short and the longer term Canada has a great deal of steam in her business boilers regardless of what the Kremlin decides.

If peace can be achieved—even some measure of it—then we can get ahead with the real job of making possible a better life for more people in more parts of the world and, if we manage our affairs wisely, prosper in doing it.

* * *

They Fool With Figures

The art of misusing figures to "prove" a wished-for point has seldom been carried further than in some of the current U. S. calculations about the U. S. tariff.

The Bell Report—still one of the best current documents on U. S. protectionism—calculates that 55% of U. S. imports enter duty-free and that the average rate of duty payable on the rest is 12½%.

More recently the misleading art of calculating averages has been carried even further in a Washington statement that the ratio of customs receipts to total value of imports is less than 5%, whereas in the United Kingdom the ratio is over 25%. The erroneous conclusion drawn from this specious calculation is that "U. S. rates are low compared to those of other countries."

The conclusion is nonsense for this very simple reason. A high tariff, such as the United States has, effectively keeps out imports. No customs duties are collected because the items on which they would be collected are never imported. In the United Kingdom, or any other of the countries mentioned in the Washington report, tariffs may be high, but at least they are not high enough to exclude imports totally.

The Bell Report itself has the answer to the propaganda which seeks to pretend that the U. S. has a low tariff. After quoting the 55% of imports which are duty free and the average 12½% duty on the rest, it says: "Actually these ratios are due to the fact that the United States places no duty on certain raw materials and foodstuffs not produced in this country; but it places very high duties on many manufactured goods, thus limiting severely or excluding entirely the importation of many goods of this type."

In the next few months—and, if the worst comes to the worst, the next few years—there are going to be fierce arguments in the U. S., and between the U. S. and its allies, about its excessive protectionism.

Let's not start off with the sort of falsification which results from statistical manoeuvring with meaningless averages.

Another Price Boost Coming On New Homes

Building Trades Still Ask For More—See 10c Raise Nationwide Pattern—Will Add $200 To $400 To New Home Prices

By TREVOR LLOYD

That new home you were planning to build this summer may cost $200 to $400 more than you're currently estimating. It depends on just how closely builders across the country follow a wage boost pattern just set in Winnipeg.

First major contract in the building industry this year, the deal between Winnipeg Builders Exchange and the 11 member unions of the AFL Winnipeg Building Trades Council—gives a 10c hourly increase to all trades and classifications.

Besides setting a likely wage pattern for other centres, the contract may also signal a more widespread trend toward blanket deals covering all trades, as opposed to more general current practice of contracts with individual unions.

The Winnipeg deal is the first such blanket contract outside Quebec.

Probably next to sign a new wage contract will be Montreal builders. Latest offer there is a 5c boost as against demands which have ranged from 25c to 40c across the country.

While it is difficult to forecast what increases may be granted in particular areas, general feeling in the industry is that it will average out to the 10c agreed in Winnipeg as against last year's 10c-15c across the country.

Most employers too are hoping for a similar blanket contract — much time is saved in negotiating one master agreement. Time lost in strikes is also reduced.

The Winnipeg master agreement says no one union may strike without following procedure laid down by all 11 unions. Provision is made for arbitration in case of dispute; grievances will be dealt with by one central group rather than by individual trade unions.

The 10c increase applies to all trades and classifications. Mechanics and laborers hired by the Exchange are obliged to become members of their respective unions within 30 days of employment.

$200 Million Mutual Aid Backlog For Arms Plants

OTTAWA (Staff) — Canada's program of mutual aid to NATO countries is beginning to bring direct benefits to Canadian factories. With the opening of the new fiscal year this week, mutual aid entered a new phase. It is no longer chiefly devoted to air training and transferring existing equipment. Now it is providing new equipment direct from Canadian factories.

Nearly $200 millions will be spent on producing new equipment for our NATO allies this coming fiscal year. It will go to aircraft factories, aero-engine makers, radar and electronic plants, shipyards and ammunition factories.

Mutual aid is helping to extend factory runs which would otherwise be too short to be economical.

To the Canadian armed services it no longer appears as just giving things away.

As a great help in keeping Canadian armaments industry in running condition, it also postpones the difficult decision of whether to close down production facilities which would certainly be needed in war, or whether to stockpile items which must inevitably grow obsolete.

Here is the contrast between 1952 and 1953:

The mutual aid vote for both years is $324 millions. It will probably all be spent in 1953-54. In '52-53, expected expenditure is only $230 millions, nearly half on NATO air training in Canada including the capital cost of two complete air schools. Probably only $60 millions— went in transfer of existing equipment to other countries. Relatively little was spent on new equipment.

In the 1953-54 vote only $81 millions is charged to air training. Existing equipment cannot come to more than $30-$40 millions. Nearly $200 millions is thus left for new equipment to be sent to other countries hot from the production line.

Main items to be produced for other countries this year are aircraft, aircraft engines, propellors, minesweepers, Mark VI mobile anti-aircraft radar sets, walkie-talkies, ammunition and

(Continued on page 3, col. 3)

Another U.K. Firm Coming With Synthetic Fibre Plant

MONTREAL (Staff)—Another solid indication of the U. K.'s intention to increase investment in Canada was given this week as Imperial Chemical Industries Ltd. announced plans for building a large new plant in this country to produce "Terylene," one of the many new synthetic fibres used in textiles.

Location will be Millhaven, near Kingston, Ont., where I.C.I. has optioned suitable land, and building and engineering teams are to start field work shortly. While details of cost and size were not given, the company said that productive capacity will be "commensurate with the estimated requirements of the Canadian market and able to meet initially the full demands of the textile industry in Canada."

Terylene is called "Dacron" in the United States, where much of the groundwork in its development was done by E. I. Du Pont de Nemours. In England, Calico Printers Association Ltd., from whom I.C.I. acquired the rights apart from those in the U. S., did further research work on the fibre.

I.C.I. has since invested a substantial amount in research and development, it was stated, and production of yarn and fibre in limited quantities in the U. K. is already under way. A manufacturing plant is currently under construction there.

In the U. S., Du Pont has had a Dacron pilot plant in operation for some time now, producing the fibre for experimental use. And about two weeks ago, the first unit of the company's huge new $40 million plant at Kinston, North Carolina, started turning it out in large volume for the first time in North America. Another five units are scheduled to be in operation by the end of 1953 and annual production goal is 35 million lbs. of staple and continuous filament.

This new fibre is to be added to nylon, acetate rayon and vis-

(Continued on page 3, col. 2)

Survey of Oils '53 Edition Out

Canada's big boom in oil is wrapped up in a neat package in the 1953 edition of The Financial Post Survey of Oils, just off the press.

A 50% production increase of Western Canada fields expected this year with widening markets and marketing facilities, greater activity in western oil and continued rapid extension of productive area are reflected in the expanded size of the 1953 Survey—360 pages, a map section increased by over 30%. The Survey reviews over 600 oil producing, refining, pipeline and drilling companies; a section listing inactive and defunct companies brings total company coverage to over 2,600.

Prepared by The Financial Post, this standard reference book for investors in Canada's oil industry is available at $3 from 481 University Ave., Toronto 2, Canada.

PRICES

Commodities: Peace talk proceedings between U. N. and Communist leaders in Korea will have an important bearing on day to day movement of commodity prices. Grains were all knocked lower early this week.

Autos: Chrysler Corp. of Canada has cut prices from $17 to $62 on some of its passenger cars and trucks. General Motors, other car manufacturers, say they will sit tight.

Sulphur: Hikes of $4.50 and $5.50 a ton, or 18-20%, announced by the two largest U. S. producers. Canadian industry—particularly the pulp and paper industry — will be vitally affected; we're currently importing 400,000 tons a year from U. S.

Copper: Rising offerings of foreign copper in U. S. market is expected to break current price level. Sweden, Australia, West Germany and others all offering the metal below Chile prices.

Soil Conditioners down 10%-35% for most varieties. Krilium, for example, is being quoted by one large garden supply house at $5.45 for five pounds as against $8.35 last year.

Seaway Progress?

OTTAWA (Staff) — Latest word on St. Lawrence Seaway progress:

Senator Wiley's Seaway subcommittee of the Senate Foreign Relations Committee, said The Post last week, "will start hearings next Monday, (March 30) unless they are postponed again."

The hearings are now due to be held April 14—unless they are postponed again.

French May Ask Tariff Easing For Some Goods

OTTAWA (Staff) — An attempt to juggle the Canadian tariff in favor of French imports may be suggested in the near future, when French and Canadian officials meet to discuss possible ways of promoting Franco-Canadian trade.

An early meeting was agreed during the visit to Ottawa this week of Premier Rene Mayer, Foreign Minister Bidault and Finance Minister Bourges-Maunoury, and may be arranged to coincide with the Canadian International Trade Fair at Toronto (June 1-12).

One suggestion the French are expected to make at that time is to introduce new classifications in the Canadian tariff which would favor French goods without violating Canadian obligations under existing preferences or GATT. New preferences are excluded, and British Preference cannot be extended to France unless it is also extended to everybody else. But it might be possible to devise new tariff items, which would provide a low rate of duty applicable in theory to all the countries entitled to most-favored-nation treatment; and they might be so devised that the goods which in fact benefited were French goods.

One example of what has been in the mind of the French Government for years is the Renault car. A new tariff classification could get around the British Pre-

(Continued on page 3, col. 4)

Boost In Price Of Sulphur Makes 'Fool's Gold' Shine

By W. L. DACK

Don't write off "Fool's Gold" in the expanding Canadian mining picture.

The prospectors gave it the name because the yellow flecks looked like gold. They're not—they are sulphur.

U. S. price increases in sulphur this week began to make the spots look like gold again. It could mean, over the long term, a tremendous development in the mining of the vast stores of iron pyrites—in which the sulphur is found—which cover many parts of the Canadian northland.

The 20% price hike—to around $25 a ton—by the "big three" sulphur producers in the U. S. will have far-reaching effect on Canada. Within six months, the advance will have been passed on to industrial consumers in this country, who use some 525,000 tons of sulphur a year and must import some 400,000.

An expected parallel increase in sulphuric acid—the chemical workhorse of industry—will affect the cost picture of practically every industry in the country. In many cases, it will be small, but it's just another pound of added pressure on the cost line.

The biggest user in Canada is the pulp and paper industry, currently taking some 300,000 tons a year. Others who use large quantities are the fertilizer, chemical, paint, explosives, steel and textile industries.

The price increase will put a lot more incentive into the various sulphur-producing projects started in Canada within the last couple of years, when shortages threatened in the U. S. Some of the projects are:

—Consolidated Mining & Smelting Co., recovering sulphur as a by-product of its smelting operations at Trail;

—Shell Oil Co. of Canada and Royalite Oil, recovery from natural gas;

—Canadian Industries Ltd. and International Nickel, recovery from Inco's smelter fumes at Sudbury;

—Nichols Chemical, big processor of sulphuric acid from pyrites, has brought in its $2.5 million plant addition at Valleyfield, Que. Capacity now doubled at around 100,000 tons a year.

—half a dozen pulp and paper companies, with small plants to get sulphur dioxide by roasting pyrites;

—Noranda Mines, from pyrite concentrates.

Noranda's proposition indicates the large-scale possibilities of recovering sulphur from iron pyrites. Noranda has been operating a pilot plant for the past five years on a new process. Now it will build a plant near the Welland plant of North American Cyanamid Ltd., capable of handl-

(Continued on page 3, col. 2)

Traders Find Truth In Maxim: 'Don't Argue With The Market'

"You can't argue with the stock market."

That's one of the oldest maxims of the market, and it was brought home to thousands of Canadian traders this week in the most impressive manner possible—sharply falling markets.

Traders were finding that it doesn't pay to argue that an early peace in Korea will make little difference to defense work in hand, that business will keep humming along for many months yet.

In two days the latest Korean peace overtures knocked the Dow Jones industrial average down 7½ points—the tape ran late on at least four occasions with the pressure of selling. Aircraft, steels, motors suffered the widest declines. Although Canadian markets put up remarkable resistance and were unwilling partners on the downward trail, they too were forced to give ground. (T.S.E. industrials dropped 3.83 points, base metals 3.75 points, western oils, 2.78, golds held).

Although the New York-inspired market tumble has taken the edge off the metals boom for the time being, there is strong evidence that many of the popular issues could stage a rapid comeback once the U. S. market had given signs of stabilizing. The bounce in such uranium issues as Gunnar, Nesbitt Labine and Chimo every time New York steadied away was instilling considerable confidence in the Canadian picture.

But throughout the slump Canadian traders had some cause for thanks. What would have happened if the peace selling had hit early last week with many stocks forced to low, vulnerable levels by the annual T.S.E. audit? The audit was over last Friday.

Winch Drops Boom On CCF

Resignation Is Blow To Party Hopes In B. C. Vote

Political developments have moved fast in British Columbia. For a Financial Post staff report on B. C.'s reaction to its brief period of Social Credit Government, and how businessmen see it, turn to p. 8.

By ROY BROWN

VANCOUVER — Resignation of Harold Winch as leader of the CCF Socialist party in British Columbia will deeply affect the coming provincial election. The trend of the contest was already in favor of the return of the Social Credit party. Today, it looks as if the election of Premier W.A.C. Bennett's Socreds has now been settled to a certainty — at least an even bet that 25 out of 48 seats in the House will go to this group.

Winch's resignation came as a tremendous and genuine surprise to the people of the province. Not a whisper of the possibility had been abroad. In the legislative halls, towards the end of the hectic session which finished last week, murmurings of a bit of internal trouble in the CCF caucus had been heard. But nobody either inside or outside the CCF was looking for a public blow-up within the party.

Two outstanding factors are given as accounting for the unexpected move:

First, it was obvious that there was a swing toward Labor inside the chief opposition party — the CCF accounted for 18 members of the last Legislature. In effect, recently, it had become more of a Socialist-Labor party than traditionally appeared during the 20 years since Harold Winch has been leader.

Four of the House members are professionally employed as business agents for some of the more prominent unions of British Columbia. Young men like John Squire of Alberni and Tony Gargrave of Powell River are very prominent in the labor movement.

Labor Taking Over

It is true, of course, that Winch has always sought to create the impression that the CCF represented labor. But in the gossip corridors of the provincial assembly, it has been common talk recently that the labor representatives seemed to be "taking over" in the higher influences of CCF affairs. The four union business agents are all young men, good talkers and aggressive, and some of the rank and file of Winch's old-time stand-bys have been taking a back seat; or, at least, it seemed that way.

Last week, after sitting nearly two months, 18 CCF, six Liberals and two Conservatives joined forces to vote the Social Credit Government out of power on the question of a new schedule in school costs. Mrs. Tilly Rolston, one and only woman cabinet minister in Canada, had introduced what was called the "Rolston Formula" to redistribute total costs of education which in B. C. have risen from $11,500,000 in 1939 to $60,000,000 this year. For some years now the Provincial Government's contribution to education has been based on one-third of 3% sales tax. For last year, this meant a sure and cer-

(Continued on page 3, col. 3)

Many Tax Changes To Affect Business

Budget Outlined General Scheme — How Amendments On Special Reserves, Bonds, Related Companies, Other Changes Will Work

For separate stories dealing in detail with some proposed changes in the Income Tax Act, see p. 7.

By MICHAEL BARKWAY

OTTAWA (Staff) — A major change in Canadian tax law is provided in the Income Tax Bill. It will allow what are called "special reserves" for all businesses which receive advance payments against goods or services to be provided in future years.

The change will affect all businesses selling on installments, suppliers offering refunds on containers or undertaking to provide future services, food and milk distributors using tickets or tokens, insurance companies and brokers taking premiums for future coverage.

What the new section really covers is "provision for liabilities" rather than reserves properly so-called. Objection will be taken to the use of the word "reserves" in this rather misleading sense.

Many other important changes in the amendments include:

—a new method of taxing shares redeemed at a premium;

—a new tax on brokers receiving dividends on street certificates;

—a new provision allowing the first $20,000 of corporation profits to be split between related companies;

—a new way of taxing share bonuses offered to company employees;

—new tax deductions for Quebec companies.

—a new provision exempting earlier contracts from the full rigor of the "pyramiding" clause where one company has undertaken to pay tax for another.

The more important changes, such as those relating to redemption of preference shares, pyramiding, and "reserves" were outlined in The Financial Post, Feb. 28. But here are further details, and some new features:—

Special Reserves:

The nub of the new provision is to allow special reserves to be charged against income in respect of services still to be rendered. The new law says "a reasonable amount" may be deducted from income as a reserve in respect of the following:

I. Goods that it is reasonably anticipated will have to be delivered after the end of the year;

II. Services that it is reasonably anticipated will have to be performed after the end of the year;

III. Periods for which rent or the equivalent has been paid in advance;

IV. Repayments that it is reasonably anticipated will have to be made after the end of the year on the return or resale to the taxpayer of articles other than bottles.

No definition is attempted of what will be "a reasonable amount" to claim as a deduction. First rulings on this will have to be made by the Department of National Revenue, and if they are challenged the courts will have the final say.

Reserves established in one year under this provision will have to be brought back into income in the following year, with an offset against them of the expenditures actually made. Many businesses which already have reserves not brought into 1952 income will have to bring them into their income for 1953. But where such reserves are too large to be allowable under the new law, provision is made for the excess to be spread over 1953, 1954 and 1955.

A number of qualifications are laid down. Here are some of them:

—Food, drink and transportation companies are subject to a limit on the size of their reserves. They may not deduct more than the cash income taken in during the year in respect of services to be rendered in future years. This is to prevent the accumulation over several years which would otherwise result from unredeemed and lost tickets.

—No reserves will be allowed in respect of guarantees, warranties or indemnities.

—Insurance companies may take into reserves only a proportion of premiums corresponding to the unexpired part of the coverage; that is, a three-year

(Continued on page 3, col. 1)

Inside News

Read The Woman
Stockbroker's wife takes over Napier Moore's column. She is Dofy Skaith, well-known hostess and storyteller (p. 6).

$20 Billion Canadians
Canadians are worth close to $20 billions this year, record life insurance in force would indicate. The important roles played in the nation's economy by life insurance and the life companies. The progress and problems of individual firms. A Post feature report (pp. 19 to 28).

Your Taxes
Of ships, a financial angle, Ottawa and your taxes. This is the time of year when bulging national coffers reflect empty pockets elsewhere. Keep abreast of important judgments with this Post feature. About Your Taxes (p. 10).

London Dilemma
Why London made a concession to necessity and its sombre face in a saddened week. Elsewhere life goes on to the tune of labor strife and a forthcoming budget. London Calling (p. 36).

"Blue Chip" Stocks
Investors seeking to improve income position are accumulating "blue chip" stocks to take advantage of the income tax credit, says McNab's manager. Managed Investment (p. 5).

Nat. Sewer Pipe Holders Near Arrears Settlement

The 15-year series of skirmishes between National Sewer Pipe Co. and its class A shareholders looked just about over this week.

The clashes have centred on the settlement of accumulated arrears of dividends on the class A shares.

The solution now proposed is the result of nearly two years' negotiations between company and the Class A Protective Committee. It is backed by the committee and the directors.

Vote April 20

To make the agreement effective, more than 75% of shareholders represented at the annual and special general meeting (April 20) must vote in favor.

Under the proposals made public this week by President Ryland H. New, shareholders will receive for each class A share held:

(1) $35 principal amount of the 5½% first mortgage bonds of a new company, National Sewer Pipe Ltd., which has been set up to take over the assets of National Sewer Pipe Co. and 5,572 shares of Canada Vitrified Products Ltd. (55% interest) purchased from Ryland H. New (Canada Vitrified carries on a business at St. Thomas, Ont., similar to that of National Sewer Pipe);

(2) $25 principal amount of the 6½% debentures of the new company and;

(3) $2.15 in cash.

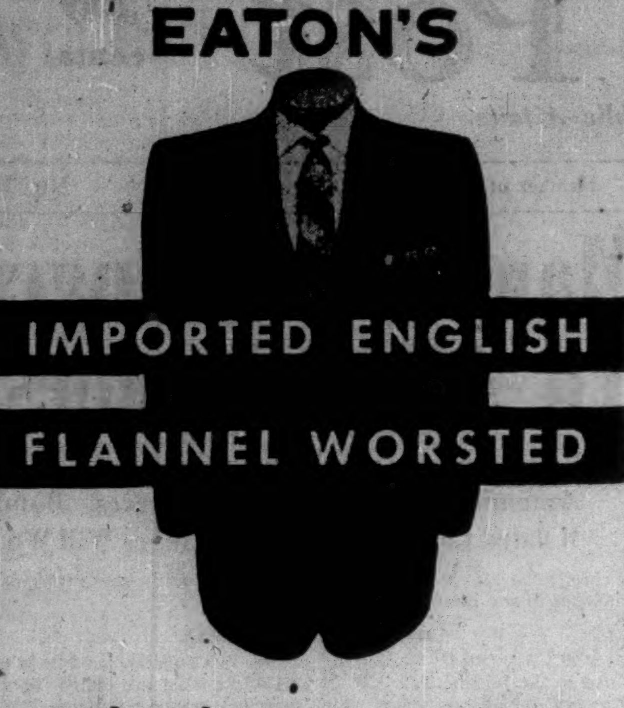
The bonds and debentures of the new company will bear interest from Jan. 2, 1953, and mature Jan. 2, 1973.

Committee's Reasoning

Protective Committee Chairman Edward Coleman in recommend-

(Continued on page 3, col. 3)

EATON'S



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EATON'S

LABOR ROUNDUP — By TREVOR LLOYD

Unions Squeeze This Firm

Toronto Company Gets Caught In Inter-Union Fight

Another case of a company getting caught in the middle of a row between rival unions has come to light. A conciliation board recommended that the Ontario Government bring the two unions together to prevent the same situation developing in the future.

Wrought Iron Range Co. of Canada, Toronto, in trying to protect itself from such union warring, asked that its contract with United Steelworkers of America be cut off if its employees — members of Steel — were idled by the actions of a second union.

The conciliation board ruled against inclusion of such a clause, but recommended that Ontario Labor Minister Charles Daley investigate the situation that gave rise to the company's request. The board also condemned the second union, AFL Sheet Metal Workers, for its actions and said it could foresee "serious labor trouble" ahead if the Sheet Metal union was allowed to continue with such a policy.

The situation, the board said, had meant the company was having difficulty carrying on with large construction jobs and is "seriously threatened" with loss of business and earnings.

The board noted that the company might have taken out an injunction against the union, but added that final solution of the trouble lies in "some mutually satisfactory agreement between the unions involved."

Here's the story behind it all: The company manufactures and installs institutional kitchen, cafeteria and hospital equipment. During recent months the Sheet Metal workers have objected on several occasions to Wrought Iron employees, members of Steel, installing the equipment. On at least two occasions, Sheet Metal threatened to call their men off work unless the installation by Steelworkers stopped.

The board summoned the business agent for the Sheet Metal Workers, J. Mathias, who testified that the AFL controls all building trades and that he was merely protecting his union by his actions. He also said his union does not recognize the United Steelworkers, refuses to work with them, and could not make any agreements with them.

Efforts to have the two unions and the company come to agreement among themselves proved fruitless and the Sheet Metal Workers later ordered Steelworkers to stop installation of equipment in a Toronto hospital. The company asked that work stop so that trouble would be avoided.

The board commended the company and the Steelworkers for their "restraint" and levelled a three-point condemnation against the Sheet Metal Workers for:

—threatening to call an illegal work stoppage;

—interfering illegally with the company's contractual rights;

—attempting by illegal methods to force company employees into joining the Sheet Metal union.

"This board knows of no legal rights possessed by the Sheet Metal Workers' union to exclusive installation of equipment even if it is work ordinarily done or capable of being done by a member of the Sheet Metal Workers' union. Steel members have a legal right to install this company's equipment in accordance with the contract without obstruction or interference or annoyance by the Sheet Metal Workers' union or its employees," the report said.

* * *

Union Calls Halt

Some 3,000 Nova Scotia miners were back at work Monday after being told by their union to end their wildcat strike or be expelled from the union.

United Mine Workers (CCL) told the miners they would lose their charter unless they stopped the strike that closed three of the biggest coal mines in Cape Breton Island.

Cos. Combine Agents Charge

Automobile insurance agents, who've been battling a 5% cut in commissions by the companies, at midweek were threatening legal action against the companies who, they charged, were breaking the Combines Act.

The agents claimed interference with their freedom of contract because commissions are set by the Dominion Board of Insurance Underwriters (which represents about 60% of the companies), set April 1 as a deadline for the companies "to desist."

To this, the board has replied that agents are free to do business with any group of companies; the commission cuts were imposed by non-board companies as well as their members. The Board has asked the agents to make their charges more specific.

The agents, meanwhile, were being urged to withhold from their premium returns to the companies, their full former commissions. No tie-up of business was expected through a strike of agents.

Both sides at midweek had agreed to a meeting with legal counsel present.

The commission cuts were imposed by the companies in an effort to keep to a minimum increases in premium rates brought about by a higher accident rate and increased operating costs (The Financial Post, Mar. 21). Companies claim that agents do not lose because over-all premium rate for a large part of the business is higher, and 1952 premiums were up $32 millions making total commission potential higher.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

For a chart on the growth of Aluminium Ltd., one of the stocks chosen in The Post's "Selected Growth Stocks" series, see The Financial Post, Jan. 10.

ALUMINIUM LTD. consolidated net profit of $22,372,289 for 1952 was 22.2% less than 1951 net of $28,760,876.

Substantial increase in depreciation and depletion charged to operations, as permitted under income tax regulations, largely accounted for the decrease in net profits, reports President Nathanael V. Davis.

Production and sale of aluminum products in 1952 were highest in company history. Consolidated sales income and operating revenue totaled $333 millions, compared with $284 millions in previous year.

Capital expenditures of $186 millions were also at an all-time high. In the past two years, $306 millions has been spent on company's authorized 1951-54 expansion program, estimated to cost $435 millions.

Capital cost allowances for 1952 of $37,577,893 include $16,475,671 of normal allowances on facilities in operation, and $21,102,222 consisting principally of allowances on new facilities prior to completion by Aluminum Co. of Canada. This had the effect of reducing net profit by $11,227,900, compared with reduction of $6,918,202 by similar allowances in 1952.

Company plans to continue to apply both normal allowances and additional capital cost allowances against profits of the years through 1957. Overall effect will be to increase depreciation reserves on total plant in the years 1951-57 by about 75% of capital cost of 1951-54 expansion program.

The 1952 capital outlay of $186 millions went for new hydro electric and aluminum facilities in Quebec and British Columbia; for bauxite and alumina installations in British Guiana, Jamaica and French West Africa; and for expansion of company's other world-wide interests.

By the end of 1952, general program for expansion and integration of company's hydro-electric and aluminum production facilities in Canada was partially completed, and indications are that remaining portions will be in operation by mid-1954.

Other expansion last year included increase of magnesium production facilities at Arvida, Que., from annual capacity of 1,000 metric tons to 4,000 metric tons.

Over-all program for 1951-54 will result in creation by Aluminium Ltd. in Quebec and British Columbia of one million hp. of new hydro-electric generating capacity, sufficient to support 150,000 metric tons of annual aluminum smelting capacity.

Expenditures under this program have been financed in part through issuance by Aluminum Co. of Canada of $207 millions in debt securities (of which $140 millions were sold publicly and $67 millions represent advances from U. K. Government), and $24 millions in proceeds from sale by Aluminium Ltd. in 1951 of additional capital shares. Balance of funds required to end of 1952 was largely provided by retained earnings and capital cost allowances.

Additional financing required for 1953 will be raised through stock issues. Shareholders will receive subscription warrants for purchase of one new common share for each 10 held. Total issue will be 818,657 shares, offered at not less than $37.50. Proposed sale of a new series of Aluminum Co. of Canada preferred stock will have a par value of $30 millions.

"Concerning the progress of the aluminum industry as a whole in 1952," says Mr. Davis, "it is observed that new and reactivated primary aluminum facilities came into service in several countries, resulting in the largest total production of the metal for any year in history."

Sales of aluminum in all forms and from all sources by consolidated subsidiaries of Aluminium Ltd. reached a record level of 488,300 metric tons in 1952, compared with 434,000 in 1951. U. K., U. S. and Canada took 83% of company's total tonnage.

Expenditures on research, exploration and development in 1952 totaled $4 millions.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
	$	$
Sales	332,993,985	283,978,879
Net earnings	110,007,538	101,469,070
Less: Depr. & depl.	37,577,893	27,580,624
Bd. & oth. int.	9,419,432	6,398,754
Subs. invest. loss	......	389,404
Amort. & fin. exp. w/o	†4,084,488	413,753
Adj. re curr. reval.	497,567	970,738
Subs. pf. divs.	726,480	744,337
Min. int., subs. cos.	71,371	114,589
Income tax	35,258,018	36,095,995
Net profit	22,372,289	28,760,876
Less: Com. divds.	16,039,585	14,333,415
Surplus for year	6,332,704	14,427,461

†Includes 3⅞% debenture issue expense and $2,764,135 financing expenses incurred prior to 1952.

Earnings per Share and Dividend Record:	1952	1951
Common (new)▲	$2.73	$3.51
Paid	0.50	....
Common	....	$7.03
Paid	3.00	3.55

▲After 2-for-1 split, Sept., 1952.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$26,701,502	$25,658,843
Mkt. secs.•	21,394,316	64,099,420
Accts. rec. less res.	45,776,251	35,997,048
Inventories	80,380,150	71,481,632
Total curr. assets	174,252,219	197,236,945
Inv. subs. & affil. cos.	9,544,411	8,598,283
Cl. re nat'lized props.	1,544,019	1,933,485
Misc. assets	12,727,836	11,233,683
Unamort. fin. exp. of subsid.	......	2,764,135
Fixed assets‡	432,619,990	283,497,309
Total assets	630,688,475	505,263,820
Bank loans	6,166,865	6,150,343
Accts., etc., pay.	46,695,681	42,204,350
Taxes pay.	26,618,065	20,936,471
Total curr. liab.	79,480,611	69,291,164
Funded debt (subs.)	317,880,400	210,975,019
Operat. res. & cr.	3,049,555	3,919,915
Alum. Co. of Can. pf. shs.	12,981,400	13,231,100
Saguenay Pwr. Co., pfd shs.	3,996,700	4,174,700
Indian Alum. Co., pfd. shs.	1,329,200	1,329,200
Min. int., subs. cos.	2,078,427	2,654,400
Capital stock	58,065,720	58,065,720
Capital surplus	2,899,572	2,483,313
Earned surp.	148,326,890	139,139,289
•Mkt value	21,403,527	64,128,273
‡After amort., depr. & depl.	340,902,449	303,959,064
Working capital	94,771,608	127,945,781

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Association of Photostat Print Producers (Toronto) — New association, L. R. Shillabeer, president, Canadian Photo Copy Co., president; T. S. W. McAdam, vice-president; E. Fielding, secretary; T. Phair, treasurer; F. Butler, Wm. Templeton, A. Fitkin, directors.

Ayerst, McKenna & Harrison Ltd. (Montreal) — Dr. John C. C. Gandier, veterinary director.

Cabot Carbon of Canada Ltd. (Sarnia) — P. H. Delacour, vice-president-sales.

Canadian Fairbanks-Morse Co. (Montreal) — Robert H. Morse, Jr., president and general manager and chairman of the executive committee; George R. Wyer, executive vice-president and member of the executive committee; J. E. McQuilkin, assistant to the president and member of the executive committee; C. W. Coughlin, vice-president, industrial products; H. C. Rindfleisch, vice-president, consumer products.

Canadian Johns-Manville Co. (Asbestos, Que.) — Noel H. Hendry, exploration manager.

Canadian Tax Foundation (Toronto)—T. A. M. Hutchison, chairman of the board of governors; R. deWolfe MacKay, vice-chairman of the board and chairman of the executive committee; R. M. Sedgewick, Jr., secretary-treasurer.

Carling Breweries Ltd. (Toronto) — T. E. Arkell, vice-president (sales) and director.

Chartered Trust Co. (Toronto) — David Reed, assistant manager, real estate department.

Cherry Hill Cheese House (Brantford, Ont.) — V. K. Unwin, sales promotion and advertising manager.

General Steel Wares Ltd. (Toronto) — Thomas W. Fenton, works manager, Adelaide plant, London, Ont.

J. J. Gibbons Ltd. (Toronto) — O. Johnston, manager, Toronto branch; Guy H. Gislason, senior account executive, Toronto.

Oil Heating Association of Canada (Toronto) — C. W. Cooke, president; E. H. McKinney, vice-president; A. T. Thomson, secretary-treasurer; M. K. Bowman, J. B. W. Carmichael, George Downie, D. M. Funston, A. W. Heale, H. J. Lee, Sam Moore, Roy Soderland, H. E. Thompson, directors; E. B. Higgins, exhibition chairman.

Pacific Coast Fire Insurance Co. (Vancouver)—Robt. J. Nightingale, president; Brig. Sherwood Lett, Q.C., vice-president; Frank H. Brown, director.

Reo Motor Co. of Canada (Leaside, Ont.) — Richard Groom, general sales manager.

Société d'Administration et de Fiducie (Montreal)—Lavery Sirois, director.

Shawinigan Water & Power Co. (Montreal) — W. F. Mainguy, director.

Toronto Stock Exchange — J. P. Walwyn, senior partner, Walwyn, Fisher & Co., member.

United Corporations Ltd. (Montreal) — E. W. Bickle and O. B. Thornton, directors.

Retirements

Pacific Coast Fire Insurance Co. (Vancouver) — W. H. Malkin, as president; T. W. Greer and C. W. Spencer, as directors.

Cherry Hill Appointment

V. K. UNWIN

Mr. A. E. Proctor, President of Cherry Hill Cheese House, Brantford, Ontario, announces the appointment of V. K. Unwin to the position of Sales Promotion and Advertising Manager. Mr. Unwin is well-known in advertising circles in Toronto and brings to his position a background of radio, mail order and agency experience. His appointment is the initial move in the development of National Distribution for Cherry Hill Cheese and other lines of Cherry Hill foods. *

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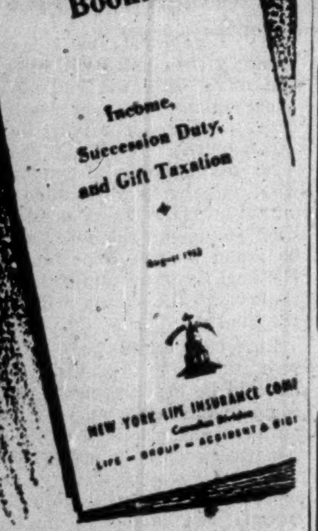

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DIVIDEND NOTICES

ATLAS STEELS LIMITED

NOTICE is hereby given that a dividend of twenty-five cents (25c) per share on the Common No Par Value shares of the Company has been declared and the same will be payable on the first day of May, 1953, to shareholders of record at the close of business on the second day of April, 1953.

By Order of the Board.

A. G. HOWEY, Secretary.

Dated at Welland, Ontario, March 24th, 1953.

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Many Changes in Tax Laws Will Be Felt By Business

(Continued from page 1)
premium must be spread evenly over the three years. A similar provision applies to insurance agents' or brokers' commissions.

Companies selling goods on an installment plan may now establish a reserve to cover the payments still to be made, though the total amount of the sale still has to be taken into income in the year of sale. Under the old law, reserve provision could be made for "doubtful debts"; now the provision can cover all payments still to be received.

Street certificates:

Tax is to be imposed on brokers who receive dividends on street certificates. They have until the end of 1954 to find the beneficial owner of the certificates and transfer the dividends to him. Any dividends received and not transferred by that time will be liable to tax from the broker. But such tax will be allowed as a deduction in later years after the dividends have been transferred to the beneficial owner.

Bonds between interest dates:

A new Section 19A recognizes and legalizes the practice which had been generally followed until last year. Tax on bonds sold between interest dates will now be divided between buyer, and seller in proportion to the length of time each has held the bonds.

Splitting the $20,000 corporation allowance:

Until now, only one of a group of related companies has been allowed to claim the $10,000 taxable at the lower 20% rate. Now that the allowance is raised to $20,000 taxable at 18%, related companies may distribute it as they please amongst themselves, and the distribution may be changed each year to suit the varying conditions of the companies. This applies from Jan. 1, 1953.

Section 12 (1) (G) which disallowed the deduction of corporation taxes paid to a province or municipality is simply repealed. This leaves Quebec, the only province without a tax rental agreement, free to levy its Education Tax or other taxes with the knowledge that corporations can deduct them from their federal income tax returns. Put another way, it means that such Quebec taxes will come 53% from the taxpayer and 47% from the Federal Government.

Banks, insurance companies, mining companies and railways, which pay Quebec taxes in a form that does not count as corporation income tax, may continue to deduct them from their federal tax return. In addition, they will continue to be allowed a deduction of 5% from the federal income tax payable on their profits earned in Quebec. This leaves them in the same position as last year. Other companies which pay corporation income taxes in Quebec may now deduct 7% from the federal income tax on profits

Share Bonuses for Employees;

One of the most contentious sections in the new bill is one designed to stop corporations giving tax-free share bonuses to employees. It will be attacked as approaching a capital gains tax. It is aimed at the practise of allowing employees to purchase stock, now or in the future, at below market price.

Under the new law the tax authorities will measure the "benefit" gained by any such offer. It will be the difference between 95% of the market price and the price at which the employee buys his stock. It will be taxable. But the tax on the benefit may be spread over three years, in which case the rate will be that applicable to the employee's income in the three previous years.

"Pyramiding":

The new bill does not change the basic law that tax has to be paid on tax each time one person pays the tax for another. This case, brought into prominence in the New York Central case (The Post, Jan. 17), involves the "pyramiding" of tax on tax which the Income Tax Appeal Board upheld, although it criticized the practise. The law requiring pyramiding remains unchanged, and will apply to all future contracts where one person undertakes to pay tax for another. It will also apply unchanged to all existing contracts up to and including the taxation year 1952. No retroactive changes are being made, and the full pyramided tax applied to New York Central by the Income Tax Appeal Board will have to be paid.

The only concession made is for tax in 1953 and subsequent years on contracts made before the present act is passed.

Mining and oil drilling:

The new bill carries out the budget promise to put mining and oil companies into the same basket for allowances on exploration. It also raises the tax deduction on deep-test drilling from 30% to 35%, and this tax credit can be carried forward from year to year until there is enough tax payable to use it all up.

Redemption of shares at a premium:

The new provisions are as outlined in The Post of Feb. 28. They relieve the St. Lawrence shareholders by making a retroactive change which spares them the tax payable since 1949 on shares acquired at a premium. But the tax on the premium is still payable on shares openly redeemed up to April 30, 1953.

From now on, shares (other than common) acquired or redeemed at a premium, will be taxed through the corporation rather than the shareholder. The corporation will pay 20% on the premium.

The alternative is to use any tax-free undistributed income on hand to cover the premium; but this alternative is only open in the case of shares acquired after Feb. 20, of this year or redeemed after April 30, this year. It is not open, therefore, to the St. Lawrence Corporation. The premiums it paid prior to Feb. 20, may not be deducted from its undistributed income.

Look For It Here

April 4, 1953

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Golden Tinged Sulphur Price

(Continued from page 1)
ing 350 tons of pyrite concentrate a day, scheduled for operation in 1954. Iron-oxide sinter will go to the steel industry; elemental sulphur will be produced, and the sulphur dioxide gas will be piped to the existing sulphuric acid plant of North American Cyanamid Ltd. for use in the manufacture of sulphuric acid. The project will save Canada the imports of 54,000 tons of sulphur annually.

"The practicability of the process has been amply demonstrated by pilot plant operation over the past five years, and this Welland plant is regarded as an initial project," states Noranda's annual report, issued last week. "When the economic possibilities have been demonstrated therein, similar or larger plants may be built by Noranda or by sulphuric acid manufacturers licensed to use the process. With a reserve of over 100 millions of pyritic ore in the Horne Mine (Northern Quebec) Noranda can supply a greatly increased demand for pyrite for many years to come."

Another U. K. Firm Coming

(Continued from page 1)
cose rayon in the list of synthetics made in Canada. The Canadian patent for Terylene was issued in February.

Construction of the Millhaven plant will be initiated by a wholly owned I.C.I. subsidiary. After the proposed split of Canadian Industries Ltd., however, the project will be offered to the resulting new company in which I.C.I. will be the principal shareholder, it was stated.

Terylene is described as a "synthetic polyester fibre" with qualities making it especially desirable in manufacturing clothing fabrics as well as for other textile and industrial purposes. "As a continuous filament," I.C.I. states, "it resembles silk, while as a staple fibre it has a resiliency equal to that of wool but with better resistance to wear and tear. Clothing made from Terylene is extremely stable under changing conditions of moisture and humidity. It resists wrinkling and will hold 'pre-set' creases for the whole life of the garment."

The fibre is made from ethylene glycol and terephthalic acid. Competition for ethylene glycol business in Canada is currently very keen and the new plant should be a welcome addition to the market.

Mail Order Auto Insurance Started by Simpsons-Sears

The Simpsons-Sears mail order expansion officially moved into another field this week with announcement that Allstate Insurance Co. has opened a Canadian head office and is offering an "automobile insurance package."

Allstate—third largest auto insurance company in U. S. with $117 millions in premiums in 1952—is the Sears-Roebuck agency which handles branch and mail order insurance in U. S.

Allstate's package offering to Canadian motorists according to company announcement includes:

1. Savings averaging 20% on policy.
2. Standard Canadian policies.
3. Three rate groups depending on accident record and driving experience.
4. Seven months time payment plan.
5. Special plan for young married couples under 25, with children.

Allstate will operate initially from Simpson's main store in Toronto. It expects to open branches across Canada, but initially will handle mail orders for areas not serviced by agents. Claim service will be provided in all provinces.

Winch Drops the Boom on CCF Resignation Blow to Party

(Continued from page 1)
tain $10 millions flowing from Victoria for the schools.

The "Rolston Formula" sought to change this plan by setting up a straight grant, which this year would exceed the value of the indicated proportion of sales tax. The change was a benefit to some country districts, but larger cities, and especially Vancouver, would rather stay with the sales tax which expanded each year. The Liberals attacked the new plan on the ground that while the cities might temporarily benefit this year, they might lose heavily two or three years from now, in comparative receipts. The Liberals called it a Socred "flimflam."

So the government was defeated. Next morning, Harold Winch visited Lieutenant-Governor Wallace, asking for the chance to form a new administration. The decision, of course, turned on whether Winch could assure the governor he had behind him a majority of the House. Winch consulted the Liberals and Conservatives and found that while they were quite happy at voting "out" the Socreds, they certainly had no intention of making a tie-up with Winch to vote the CCF "in." This cooked Winch's goose. By Saturday, the governor agreed to the dissolution which Mr. Bennett had asked for and the next election will be held Tuesday, June 9.

Nat. Sewer Pipe Holders Near Arrears Settlement

(Continued from page 1)
ing acceptance, makes these points:

(a) Class A shareholders will cease to be minority shareholders and become secured creditors of the new company.

(b) The securities and cash they will receive will have an aggregate value of less than $73.60 per class A share, which they would have got at Dec. 31, 1952, if the company had been wound up ($40 liquidation price, plus $33.60 arrears of dividends). Holders may thus be said to be foregoing a portion of their arrears.

But under the arrangement the problem of arrears will be disposed of, and shareholders will be entitled to a prompt distribution of the securities and cash as opposed to awaiting the outcome of pending litigation instituted by the Protective Committee to have the company wound up.

Moreover, the company has been assured that no federal income tax will be payable by class A holders on receipt of the bonds, debentures and cash, or on the redemption of the bonds or debentures. The company is paying the special 15% tax (about $60,000) on approximately $400,000 under Section 94A of the Income Tax Act.

(c) Holders will be entitled to interest on the securities equivalent to $3.55 per annum (6% average) on each class A share formerly held. Annual class A dividend rate is $2.40 a share.

(d) Acquisition of the controlling interest in Canada Vitrified Products should provide additional security and earnings.

(e) Costs and expenses of the committee (estimated at $58,296, equal to $2.10 a share) will be met by the company, or the new company. This includes repayment of $12,350 contributed by shareholders.

The Committee has agreed that if the proposed arrangement becomes effective, the pending litigation may be dismissed without costs. Since the committee is backing the proposed arrangement, it has further agreed that even if the agreement does not become effective, the winding-up application will be withdrawn, Coleman added.

Common Position

Under the arrangement, common shareholders (most of the common is held by President New) will receive a $15 par non-cumulative preference share and one common share of the new company for each share of the old company held. No dividends may be paid on any of the new company's shares, nor any preference shares retired, which would reduce consolidated net current assets below $500,000 or which would exceed 50% of the consolidated net earnings of the new company accumulated since its incorporation.

Net profit of National Sewer Pipe Co. in the two months ended Dec. 31, 1952 amounted to $22,340. Net profit in the fiscal year ended Oct. 31, 1952 amounted to $125,578 against $123,722 the previous year.

Combined earnings of National Sewer Pipe Co. and its 55.78% equity in Canada Vitrified earnings in their respective fiscal years ended Oct. 31, and Nov. 30 were as follows: 1948, $130,903; 1949, $200,499; 1950, $221,388; 1951, $125,111; 1952, $151,356.

Pro forma capitalization of the new company as at Jan. 1, 1953 consists of $971,600 5½% first mortgage bonds; $694,000 6½% debentures; 75,000 authorized, 63,195 issued $15 par redeemable preference shares carrying non-cumulative dividends of $1 per share per annum; 75,000 authorized, 53,195 issued no par value common shares.

Of the 63,195 preference shares, 10,000 are being issued by Ryland H. New in exchange for the 5,572 Canada Vitrified shares turned over to National Sewer Pipe.

The first mortgage bonds will be provided with a sinking fund sufficient to retire $35,000 principal amount of the bonds annually 1954-72 inclusive. The debentures will carry a sinking fund into which will be paid during the same period annual amounts equal to 25% of consolidated net earnings available for dividends. Maximum annual bond and debenture interest requirements amount to $98,548, compared with $281,269 earnings before taxes for National Sewer Pipe and Canada Vitrified on the combined basis.

French May Ask Tariff Easing

(Continued from page 1)
ference and everything else if it were worded so as to cover the baby Renault and exclude the normal size of small British car.

But it is understood that in general the French will look for opportunities among the field of goods of which United States is the chief exporter. The new approach is not intended as an attack upon British sales.

M. Bourges-Maunoury told The Post that only limited improvements could be made through the tariff. But proposals along these lines are likely to be made by the officials who come over for the joint trade committee.

Canadian officials welcome any increased effort to balance France's trading account with Canada. But they are reserved about any tariff-juggling. The present position is to wait and see what specific proposals the French may make.

$200 Million Mutual Aid Backlog For Arms Plants

(Continued from page 1)
some other items of electronic equipment and armament.

The commitment to provide 370 F86 Sabre fighters to Britain will be cleaned up during the year. It is about one third filled now. The 1953 cost of this is estimated at around $60-$65 millions, Canada paying about 70% of the cost of the aircraft. (The rest is in the engines and government-furnished equipment from the U. S.).

Propellor Engines

Pratt & Whitney Wasp engines account for another mutual aid program of nearly $12 millions. Some 450 of them are being provided for Britain, France, Italy and other countries. They all use them for training aircraft, and Italy is building a new trainer to be powered by Wasps. Expenditure in '53 on these engines is estimated, at present, at about $4½ millions.

Aircraft propellors, being made by Canadian Car & Foundry, are also being shipped along with the engines.

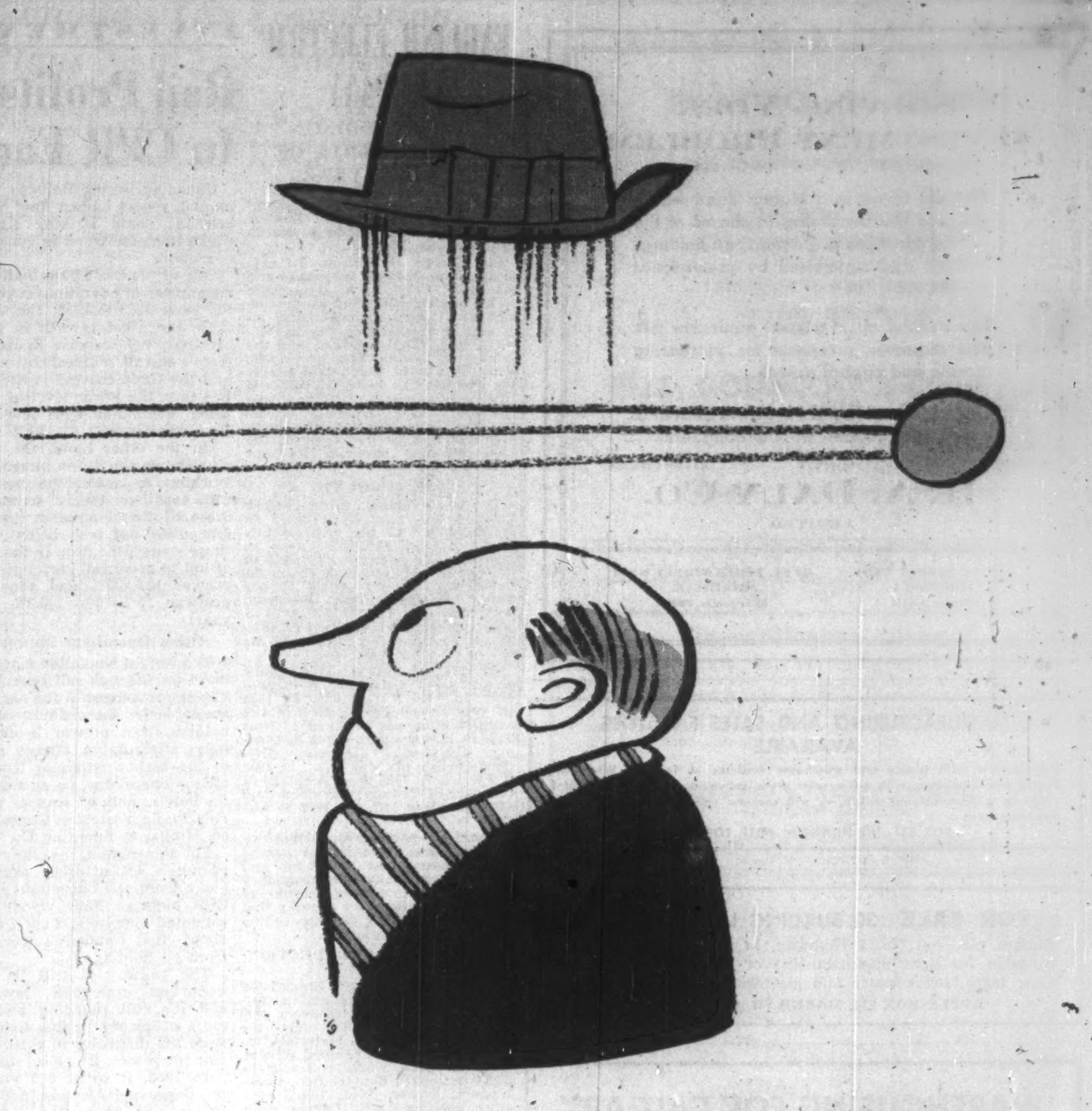
The original offer of five minesweepers to Britain, which was to have been fulfilled last year, has now been extended to six; and they will not be delivered until this year.

About 300 of the mobile Mark VI radar sets are for mutual aid. They are being built by Canadian Arsenals; some have been delivered; and a considerable part of the cost has already been paid.

The Canadian design of walkie-talkie set, being built by Rogers-Majestic, is also being supplied in substantial numbers, enabling the maker to establish a run of reasonable size, which would not be possible if Canadian forces alone were to be equipped.

These principal items leave about $60 millions of this year's mutual aid vote which has not been allocated. Another $7 millions is set aside as part of the Canadian contribution to NATO's permanent military installations in Europe, known as "infrastructure."

For the coming fiscal year, the Canadian Government has allowed $20 millions for "contributions toward the military costs of NATO." This includes about $15 millions for infrastructure and some other minor items.



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ENGLISH ELECTRIC COMPANY

OUTSTANDING ACHIEVEMENTS OF RECORD YEAR

The thirty-fourth annual general meeting of the English Electric Company, Ltd., was held on March 19 in London, England.

Sir George H. Nelson, F.C.G.I., M.I.Mech.E., M.I.E.E. (chairman and managing director), in the course of his speech said: Our production has again been substantially increased, our deliveries are £11,000,000 greater than last year, and the orders remaining on our books stand at a level which will enable the Company to reach in 1953 and 1954 a volume as high as has been reached in 1952. Orders in export markets have reached the very high level of 55 per cent. of the total business obtained for our normal products.

THE ACCOUNTS

The consolidated profit before taxation has risen by £716,893 to £4,359,034, but 67 per cent. of this total, namely, £2,909,516, goes in taxation. We succeeded in 1952 in increasing our consolidated profit before taxation by nearly 20 per cent., having similarly increased our turnover. The result of this achievement is an addition of £93,088, or less than 7 per cent. to the net profit after taxation.

In 1938 the percentage of profit on turnover before taxation was 9.87. In 1952 it was 6.15. In 1938 the percentage of profit on turnover after taxation was 7.9. In 1952 it was 2.04. In 1938 the percentage of turnover absorbed by Ordinary dividends before tax was 2.58. In 1952 it was 1.2. In 1938 the percentage of turnover of Ordinary dividend paid after tax was 1.87. In 1952 it was .59.

These comparisons show that our selling prices have lagged behind the increased cost of labour and materials and of taxation, and they emphasize the narrow margin of profit on our turnover proving that the profit element in our selling prices is not inflationary.

BREAKDOWN OF PRODUCTION COSTS

Touching now on the breakdown of the costs of production, the following is the division of every £100 of our output for 1952 under the various headings: — Materials, including bought-out finished articles, 50.72 per cent.; wages and salaries, 29.80 per cent.; depreciation, maintenance, power, heat, light, rent, rates, insurance, etc., 11.60 per cent.; interest on debentures, bank overdraft, bills, 1.11 per cent., making a total of 93.23 per cent., leaving a balance of 6.77 per cent., from which taxation takes 4.55 per cent., net dividends of Preference and Ordinary stock .79 per cent., and retained in the business 1.43 per cent.

RESEARCH AND DEVELOPMENT

For many years your company has applied its thoughts and finances to a bold policy of research and development in the fields of its traditional products; and also, at the request of the Government, in activities associated with defence. Last year this expenditure exceeded £7,000,000, including that part sponsored by the Government.

The progress made over these various fields is really incredible. Resources of scientific and technical knowledge together with skilled experience have been built up in the teams associated with these activities and form a valuable reserve which will play an important part in the future achievements of your Company.

CANADIAN ACTIVITIES

I paid another visit in October and November last year to our Canadian organisation, the John Inglis Company and the English Electric Company of Canada. Both companies have had a successful year.

A very fine new factory has been erected at Scarboro', near Toronto, and an extension has been built at the St. Catharines' Works.

STEAM TURBINES: The second 66 MW. set has been commissioned for the J. Clark Keith generating station of the Hydro Electric Power Commission of Ontario in Canada. The third set for this station is due to be commissioned this year.

WATER TURBINES: We are supplying a generator of 122,000 k.v.a. to the Aluminum Company of Canada for their power station at Kemano, British Columbia.

The first two water turbines manufactured by our Canadian associates have been successfully commissioned at the Dr. Otto Holden power station, the efficiency being appreciably higher than specified. A repeat order for two turbines for the same station is in hand and an order for another large unit has recently been received, so that our dollar-earning business in this field is expanding.

STEEL WORKS EQUIPMENT: A twin-drive, having a total rating of 7,000 h.p. (R.M.S.), has been installed in Canada for the Dominion Iron and Steel Company to replace the existing steam engine.

METERS AND INSTRUMENTS: During the year we have completed the development of a new single-phase house service watthour meter suitable for Canada, which is now being assembled and marketed by our Canadian associates. We are also now offering a comprehensive range of switchboard instruments of outstanding merit.

MARINE TURBINES: The latest manufacturing developments of our Canadian associates now relate to the production of marine turbines for the Canadian Government.

There are great potentialities for the development of hydro-electric schemes in this territory and through our control of the John Inglis group we are able greatly to assist that Company and Canada in important developments.

THE MARCONI GROUP

It has been a good year for television exports, with orders from sources as widely separated as Asia and South America.

The summer saw the inauguration of television in Canada from Montreal and Toronto using Marconi cameras and studio equipment. Similar cameras and studio gear are still in daily use at the United Nations Headquarters in New York.

A constant and unremitting programme of research lies behind the achievements of Marconi's Wireless Telegraph Company, Ltd., and its subsidiary Marconi Instruments Ltd.

The chairman reviewed the outstanding engineering events in 1952 and in conclusion he said: The Group output in the United Kingdom has increased by a further £11,000,000 over that of last year, which has been another page in the really romantic history of our expansion.

The report was adopted.

INVESTMENTS THIS WEEK

Rail Profits Still Problem In CPR Earnings Picture

Canadian Pacific Railway Co.'s annual report issued this week contains some striking figures illustrating the trend in company operations.

One of the most illuminating is a summary of operations covering the years 1923 to 1952. The tables show the great growth in gross earnings, the increase in income from non-rail sources, cutting by half the fixed charges in the past 15 years, the lower level of dividends compared with levels in the 'twenties.

On the other hand, the table also shows the great increase in working expenses, the postwar rail earnings barely exceeding those of the depression 'thirties (the 1948 net was below even those years), the drop in the ratio of net to gross rail earnings from prewar 15%-20% and above, to postwar 5%-10% (6.3% last year).

Other Operations Improve

The weight has fallen more and more on the non-rail operations. The improvement in the earnings available for the ordinary shareholders from prewar levels has been attributable almost solely to the higher revenues from its airline operations, its steamships, its hotels, and of course, particularly, its interest in Consolidated Mining & Smelting Co.

For this reason, investors have swung a lot of their attention away from rail operations in the CPR picture. They watch Consolidated Smelters, they inquire about the company's revenues from oil holdings.

The railway is still its most important enterprise, however, and it's still plugging away at more efficiency in this field, despite the difficulty in getting the rate increases it would like.

In 1952, it spent $60 millions on improvements and additions to its rail properties, bringing the total in the past three years to $180 millions. It estimates that another $475 millions will be required in the next five years to replace worn-out facilities and to continue the program of improvements and additions that are necessary to keep pace with the expanding economy.

Operating efficiency is showing marked improvement as a result of the company's program. The average freight train load was up from 1,700 to 1,748 tons, with an increase in freight train speed from 16.6 to 17.4 miles per hour, resulting in an increase of 8% in gross ton miles per hour.

Aid From Diesels

The improvement, while attributable in part to the greater proportion of long haul and heavier commodities handled, reflects the increasing benefits from greater use of diesel power, automatic block signaling systems and other technological advances, President Mather pointed out.

To carry out the proposed capital expenditure program which makes more efficient operations possible, it is essential that investors should have confidence in the future of the railway, the president held. The return of 2½% earned on railway investment in 1952, and the low returns in each of the postwar years, do little to create such confidence, he added.

In order to provide a sound basis for financing capital requirements and a reasonable return to shareholders on their investment, the company has asked the Board of Transport Commissioners to establish the net investment in the railway as a rate base, and to fix a rate of return of not less than 6½% on such base.

The following table shows the wide range of investor interest in CPR, and illustrates the swing in ownership, still mainly British, toward United States:

	— Dec. 31, 1952 —			— Dec 31, 1951 —			— Dec. 31, 1939 —		
	Ord. %	Pref. %	Total %	Ord. %	Pref. %	Total %	Ord. %	Pref. %	Total %
Canada	16.36	0.61	11.79	16.03	0.60	11.46	18.87	0.73	13.50
U.K. & other British	26.59	95.64	46.62	29.50	95.28	48.99	51.76	95.05	64.58
U.S.	49.23	0.37	35.06	48.12	0.37	33.97	22.86	0.37	16.20
Other	7.82	3.38	6.53	6.35	3.75	5.58	6.51	3.85	5.72
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Cassidy's Sells Business Mailman Group Get Control

MONTREAL (Staff) — Shareholders of Cassidy's Ltd. this week formally approved a deal for selling the company's business and most of its operating assets. A group headed by A. L. Mailman, which acquired control of the company late last year, is now converting the bulk of its interest into notes and cash.

Name of the newly formed purchasing company is Cassidy's Ltd.—slightly different from that of the old firm. Backing, it's understood, is by interests associated with A. T. Brodeur, who was formerly sales manager of Cassidy's Limited, and is now chairman and managing director of the new company.

Name of the old Cassidy's Limited is being changed to Casmont Industries Ltd. While most of its operating assets are being sold, real estate located in Vancouver, Winnipeg and Toronto, is being retained; part of it will be rented to the new company.

Purchase price to be paid by Cassidy's Ltd. totals $2,519,190, of this $300,000 will be in the form of five-year 5½% notes; $80,800 in four equal annual instalments with interest at 4½%; and $2,138,390 in cash on execution of the sale argeement.

What activities, if any, the newly named Casmont Industries Ltd. will engage in besides real estate has not yet been decided. Apparently it won't be wound up for some time anyway, as Mr. Mailman gave holders of the preferred shares an undertaking that the company would not be liquidated during the next five years.

These $100 par preferred shares, 12,465 of which are outstanding, are entitled to cumulative annual dividends of 7%. They are non-callable, but Mr. Mailman said that if it should be desired to purchase the preferred, he would offer $110 a share.

Preferred shares are entitled to par ($1,246,500) on liquidation. Assets of Casmont will include the $2,519,190 of notes and cash plus real estate (land and buildings). The latter have been carried on the books at around $950,000 less write-offs and reserves of about $875,000.

In addition, 20% of the 10,100 outstanding common shares of Cassidy's Ltd., which were made available to the Mailman group, have been turned over voluntarily to serve as further protection for the preferred shareholders.

When the Mailman interests acquired control last year, their offer, which had been accepted by the former controlling group and was made to other stockholders, was $12.25 per share. It was not indicated how many of the 74,165 outstanding common shares were acquired.

At the meeting, 73,026 common shares and 2,905 preferred shares were voted in favor of the sale proposal, while 3,286 preferred shares were voted against it. It was stated that Lawrence Landriau, Q.C., of Toronto, would be invited to join the board of Casmont to represent preferred shareholders.

Jamaica Pub. Serv. Adds Capital Stock

MONTREAL (Staff) — Shareholders of Jamaica Public Service Co., at a special meeting, approved an increase in the company's capital stock from $9 millions to $11.5 millions, to be effected through creation of 513,698 shares of 6% cumulative "E" stock with a par value of 12 shillings, seven pence.

The new stock is being created to obtain funds for future construction and improvements and to repay temporary bank loans.

Shawinigan To Boost Capacity In 3 New Units

MONTREAL (Staff) — Three new generating units, with a total capacity of 150,000 hp., are to be installed on the St. Maurice River by Shawinigan Water & Power Co. President J. A. Fuller reported at the annual meeting last week.

One will be installed at Rapide Blanc, another at Trenche and the third at the La Tuque plant of St. Maurice Power Corp. (50% owned by Shawinigan). At each of these plants, provision was originally made during construction for installation of a sixth generator. The three new units will not provide firm power to the full extent of their installed capacity, Mr. Fuller pointed out, but "will be very useful at times of highest demand on our system."

Other Capacity Boosts

This year, Shawinigan's productive capacity on the St. Maurice will be boosted by some 27,000 hp. through its diversion of the Megiscane and Susie rivers, while on Jan. 1, 1954 delivery of 50,000 hp. from Saguenay Power Co. will start.

But Mr. Fuller hinted that Shawinigan might have to add even more generating capacity to its system to meet the steadily rising demand for electricity. "We also have under consideration other sources of power supply," he said, "and sometime this year will decide what our next source will be."

Shawinigan has four undeveloped sites on the upper St. Maurice with a total capacity estimated at about 700,000 hp.

Capital expenditures of the company in 1953 are expected to total $11 millions, in 1954, $13.5 millions and in 1955, $14 millions, shareholders learned. Sufficient funds are on hand to finance planned expenditures until late 1954 but about that time new funds will be needed, it was stated.

Broad Que. Power Capital Program

MONTREAL (Staff) — Capital expenditures of Quebec Power Co. are expected to total $1.5 million in 1953, shareholders were told at the annual meeting recently. And it was indicated that they will remain at that level or higher for each of the next several years.

Of the 1953 total, over $300,000 will be spent on the company's high-voltage power transmission system and on transformer installations; about $60,000 on increasing gas plant efficiency; the balance to extend and improve power distribution system and for additions to equipment. A large share of the expenditure will be in Quebec City and district where industrial development is most marked, but the company plans to continue electrification of distant rural areas.

Present funds are expected to be sufficient to pay for expenditures planned for this year and part of 1954. After that, however, new money will have to be raised.

Small improvement in earnings per share shown by the company in recent years—$1.28 in 1952 vs. $1.03 in 1942—was reported due to sharp increases in expenses without a compensating rise in prices of the services the company sells. Return to the shareholders is expected to improve over the years ahead.

Sinclair Canada Oil Co. has been assured of Viking sand production at its Gabriele Tieulie No. 1 driller in the Legal area of Central Alberta about 23 miles north of Edmonton.

$100 A DAY RECOVERED FROM SMOKE

Melting old batteries in a large furnace and selling the lead to battery companies is big business for a Canadian Metal dealer. To trap the considerable amount of lead that was going up in smoke the owner installed an air-filtering system. The system also removed sulphuric acid, a source of annoyance to the nearby area.

The exhaust gases from the furnace are cooled by a water spray and passed through fabric bags which filter out the lead dust . . . to the tune of a $100 a day recovery. A Brown ElectroniK Potentiometer not only measures and records the temperature of the cooled gas, but also controls a valve on the water spray line to keep the gas temperature down.

If the gas temperature goes above a certain limit the difficult-to-replace filter bags will burn. If, for some reason, the water spray does not cool the gas enough, the same controller opens a valve which permits the gas to escape directly to the atmosphere. Added protection is given by controls at the mouth of each bag which also bypass the gas if it gets too hot.

Stopping the smoke nuisance and reclaiming a phenomenal amount of otherwise lost lead, has more than repaid the cost of the Honeywell equipment. Measuring and controlling industrial variables like flow, heat, density or acidity is Honeywell's business. Maybe we can help you, too . . . just call your nearest Honeywell office.

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CITY OF LETHBRIDGE
TENDERS FOR DEBENTURES

Sealed tenders, marked "TENDER FOR BONDS" will be received by the undersigned up to Three P.M. Mountain Standard Time, Monday, April 13th, 1953, for the purchase of debentures of the CITY OF LETHBRIDGE as follows:

$11,000.00—4½%—20 Year Bonds B. L. 1839.
Issued for Property Owners Share Local Improvement Concrete Walks.

$11,000.00—4½%—20 Year Bonds B. L. 1840.
Issued for City's Share of Local Improvements—Concrete Walks.

$88,000.00—4½%—20 Year Bonds B. L. 1841.
Issued for Property Owners Share of Local Improvement—Concrete Sidewalks—Curbs and Gutters.

$88,000.00—4½%—20 Year Bonds B. L. 1842.
Issued for City's Share of Local Improvements—Concrete Sidewalks, Curbs and Gutters.

All of the above Bonds are issued in equal annual payments of Interest and Principal and are dated July 1, 1952. Final payment July 1, 1972.

Also For:
$117,000.00—4½%—20 Year Bonds B. L. 1847.
Issued for Storm Sewers.
These bonds mature on July 1, 1953 to July 1, 1972, with $5,850.00 principal maturing each year.

Principal and Interest payable in Canadian Funds in Lethbridge, Toronto and Montreal.

BONDS ARE NOT CALLABLE

Tenderers are required to state net price to the City of Lethbridge for Lethbridge Payment and Delivery.

Debentures bear the endorsement of the Chairman of the Board of Public Utilities Commissioners of the Province of Alberta.

The highest or any tender not necessarily accepted.
For further particulars apply to:

T. H. FLEETWOOD,
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L. S. WELDON

E. A. PERRY

J. R. Timmins, president, Hollinger Consolidated Gold Mines, Limited, announced at the annual meeting in Montreal, March 26, the resignation of E. L. Longmore, general manager, and the appointment of L. S. Weldon as executive vice-president and E. A. Perry as manager. Mr. Longmore retires after forty years of service, the last nine as general manager. Mr. Perry had been assistant general superintendent of Hollinger Mine since 1949. Mr. Weldon's previous post was executive engineer of the company. *

CN Has $500,000 Deficit in Feb.

MONTREAL (Staff)—A net operating deficit of $500,000 was shown by the Canadian National Systems in February compared with one of $42,000 a year earlier. A gain in operating expenses more than offset an increase in operating revenues.

These figures do not include taxes, equipment rentals, fixed charges, etc. Comparative statements showed:

	Month of February 1953 $	1952 $	Change $
Oper. rev. ...	53,166,000	52,038,000	+1,128,000
Oper. exp. ..	53,666,000	52,080,000	+1,586,000
Net rev. .	d500,000	d42,000	—458,000

	Two Months to Feb. 28 1953 $	1952 $	Change $
Oper. rev. ...	104,823,000	103,508,000	+1,315,000
Oper. exp. ..	111,239,000	103,341,000	+7,898,000
Net rev. .	d6,416,000	167,000	—6,583,000

d—Deficit.

ROBERT H. MORSE, Jr.

has been appointed president and general manager and member of the executive committee, Canadian Fairbanks-Morse Co.

Canadian Tax Foundation Plans New Tax Studies

The Canadian Tax Foundation is preparing a comparative study of the operation of the income tax in the United Kingdom and other British Dominions, Lazarus Phillips, retiring chairman of the board of governors told the Foundation's annual meeting.

Results of enquiries being made into the experience of Commonwealth countries, plus information on U. S. practice, is expected to be available for discussions at the Foundation's seventh tax conference being held next November. The business of the conference will centre on significant deviations from standard business practice in the rules of computation required for income tax papers.

Executive Director Monteath Douglas said present plans are to produce a series of short studies under different headings for circulation in advance as data papers.

Some suggestions have been made, said Mr. Douglas, that the conference should work on the premise that there are not two views of taxable income to be reconciled, as between accountants and the Department of Revenue, but three, with the businessman's view between the other two.

A major feature of the Foundation's activities in the next few years is expected to be a study of the general sales tax. "All the problems that have emerged from our examination of the sales tax so far reflect the basic lack of clear principles in the legislation itself, so that nothing much can be done to improve it, either by statutory amendment or administrative action, without some fundamental thinking directed to entire rewriting of the Excise Tax Act," the executive director said in his report.

New officers appointed for the coming year were: T. A. M. Hutchison, F.C.A., chairman of the board of governors; R. deWolfe MacKay, vice-chairman of the board, and chairman of the executive committee; and R. M. Sedgewick, Jr., secretary-treasurer.

WILLIAM HUNTER MacFADZEAN C.A.

Who has been elected a director and chairman of Phillips Electrical Company (1953) Limited, which company is purchasing the wire and cable business of Phillips Electrical Works, Limited. Mr. MacFadzean is also a deputy chairman and chief executive of British Insulated Callender's Cables Limited, parent company of the world-wide BICC enterprise. *

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MANAGED INVESTMENT

MacNab Sees Investors Turning To 'Blue Chips'

Investors seeking to improve income rather than capital position are accumulating good Canadian "blue chip" stocks to take advantake of the income tax credit, recently increased to 20%, on dividends from Canadian companies, says McNab's manager. The tax credit will prove an attraction for investors to switch out of nonconvertible bonds into preferred stocks in many cases.

In MacNab's case, however, the opportunity for capital gain afforded by the $8,000 convertible bonds in the portfolio outweighs any advantage to be gained by switching into preferred stocks.

MacNab's Manager Says:

No changes in your account were made in the month ended March 16.

It has now become apparent that the good Canadian blue chip stocks are being accumulated for income purposes to take advantage of the 20% tax credit on dividends from Canadian companies for personal income tax.

The reserve portion of your account is now invested in preferred stocks and convertible and other bonds in the following proportions:

	Value $	%	Annual Income $	Yld. %
Common	10,277	42.1	554	5.4
Preferred	4,970	20.4	241	4.8
Bonds & cash	9,134	37.5	393	4.3
	24,381	100.0	1,188	4.9

An analysis of the income derived from the three classes of securities from the above tabulation would indicate that common stocks provide the best source of income, preferred stocks second best and bonds third. No attempt has been made to select high-yielding stocks except that there are now no gold or oil stocks in your account, as these two groups do not provide any sort of attractive yield for the investor interested in income.

It is clear that the opportunity for capital gain afforded by convertible bonds, of which nearly $8,000 are included in your account, outweighs any advantage to be gained by switching this type of security into preferred stocks, as applied to your own account. It will, however, prove an attraction for investors to switch out of nonconvertible bonds into preferred stocks for the tax credit, where liquidity of the capital is not a prime consideration, and in such cases where the added risk can be accepted.

In the management of your account, I will continue to look for opportunities to improve your position, but sometimes patience is to be favored rather than switching from one stock to another in the hope of obtaining quick profits.

In the month ended March 15, 1953, investment income totaling $100.70 was received. After the agreed quarterly withdrawal of $45, the cash account was increased by $55.70 to $361.00.

The MacNab Account Now Stands

No. of Shares		Cost per sh.	*Market per sh.
	Common Stocks		
30	Bank of Nova Scotia .	37	41
50	Brazilian Traction	12¼	10½
30	B. C. Telephone	35	34½
50	CPR	15¼	31¼
50	Consumers' Gas	15½	15½
40	International Nickel ..	33¼	44
50	Intern. Utilities	21½	28½
5	Noranda Mines	74	77
50	Powell River	26.35	22¼
10	H. Walker-G. & W. ..	42½	40¼
	Preferred Stocks		
40	Abitibi P. & P. $1.50 .	25⅛	26½
50	Acadia Atlan. Sugar A	17¾	18
30	B. C. Power A	35	36
40	Imperial Tobacco 4% .	23¼	23½
30	Steel Co. of C. 7% pt.	32½	33
	Government Bonds		
$1,000	Inter. Bank 4% 1962 .	100	99
	Convertible Corporate Bonds		
$1,000	Abitibi P&P 4¼% '61	100	99
$1,000	B. C. For. Pr. 5% 1962	100	99⅛
$1,000	Braz. Tract. 4½% 1971	98	90
$1,000	CPR 3½% 1966	100	103
$1,000	Cent. Leduc 5% 1963 .	101	93
$1,000	Dom. Stl. & C. 4% '61	100	97
$1,000	Dom. Textile 4% 1966	100	97
$1,000	West C. Brew. 5% '67	100½	100
Cash	....		$361.00
Current market value of fund			$24,020.00
Annual income	....		$1,180.00
Average yield on original $10,000			11.88%

*Bid price Mar. 13, 1953.

Merrill, Pete. Will Sell 1 Mill. Shares

Merrill, Petroleums Ltd. is offering in Canada 600,000 common $1 par value shares through an underwriting group headed by Wood, Gundy & Co. Ltd.

Merrill Petroleums Ltd., of which N. E. Tanner, former minister of mines and minerals for Alberta, is president, operates primarily in the Alberta Basin of Western Canada but also has properties in other parts of Canada. The company does contract drilling, engages in exploration activities, and has a small amount of oil production.

Dividends COMPOUNDED Continually
5.38% Dividend Income in 1952....
M·A·F
MUTUAL ACCUMULATING FUND
JANUARY 1950 INITIAL PRICE $10.00
YEAR END 1950 PRICE 12.35
YEAR END 1951 PRICE 14.40
YEAR END 1952 PRICE 15.15
DISTRIBUTIONS PAID MONTHLY—QUARTERLY
5% ON AVERAGE NET ASSETS (1953) RATE
M·I·F
MUTUAL INCOME FUND
McCuaig Bros. Inc.
276 ST. JAMES ST. MONTREAL
Osler, Hammond & Nanton Limited
MAIN & PORTAGE AVE. WINNIPEG
525 SEYMOUR ST. VANCOUVER 2
The Western City Company Limited
544 HOWE ST. VANCOUVER 1

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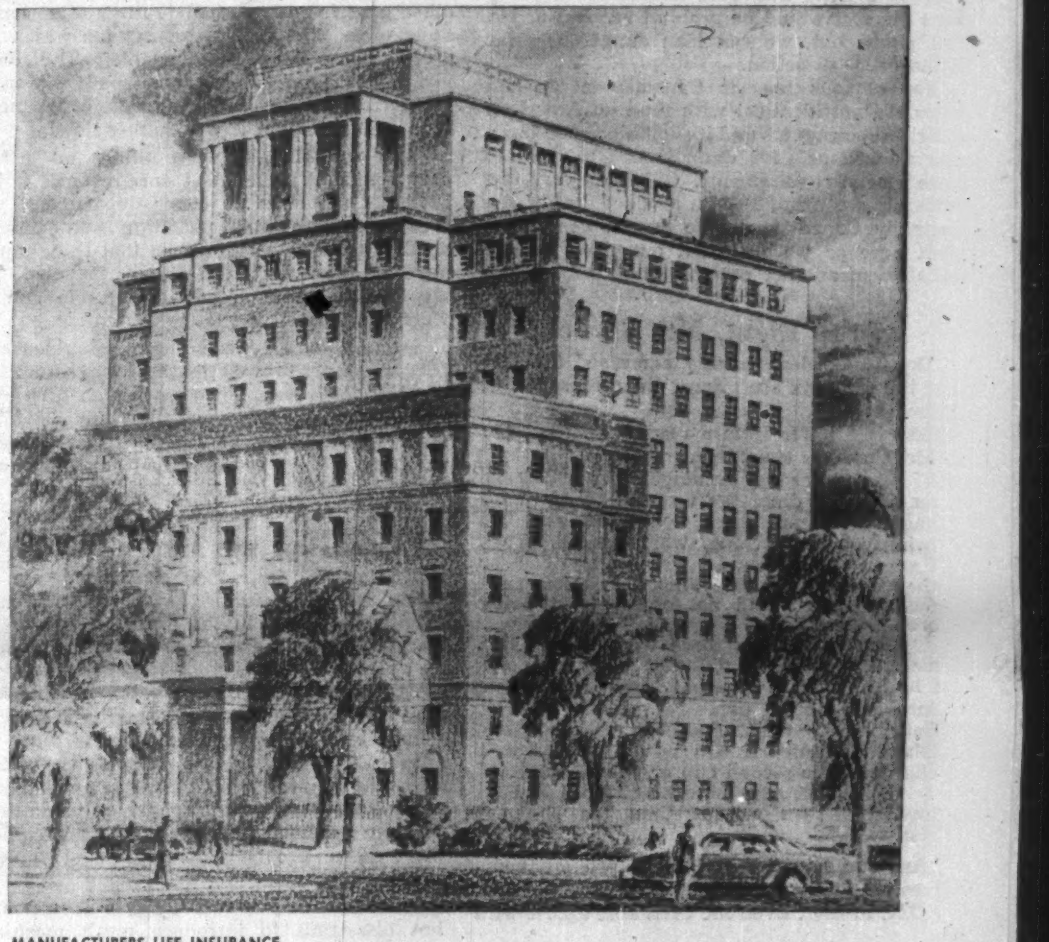

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Can. Breweries Sales At Peak In 1st Quarter

Sales of Canadian Breweries Ltd. reached a record total of $34,532,100 in the three months ended Jan. 31, 1953, the first quarter of company's fiscal year. This was a 16.9% increase over the total of $29,551,565 for the corresponding period last year.

Net profit of $1,354,434, or 58c a share, was up 98.3% from last year's $683,192, or 29c a share. Accounts include for the first time Dominion Malting Co., a subsidiary.

Provision for income taxes rose 38.2%, excise and sales taxes were 22.5% higher, cost of goods sold increased 9.5% and selling, delivery, administrative and general expenses were up 11.3%.

Working capital of $12,704,847 at Jan. 31, 1953, compares with $12,626,993 a year earlier. Current assets of $29,388,844 are exclusive of investments in other companies, carried at cost of $11,897,867.

Net fixed assets rose $959,956 and funded debt was $783,000 lower. Earned surplus of $19,800,258 was up from $16,781,416.

Donald A. McIntosh, Q.C., general counsel of Canadian Breweries, has been elected a director.

Here is the comparative income account:

	Three Mos. Ended Jan. 31/53 $	Jan. 31/52 $
Net sales	34,532,100	29,551,565
Sales-excise taxes ...	10,043,844	8,197,156
	24,488,256	21,354,409
Cost of goods sold ...	12,937,457	11,810,001
Gross profit	11,550,799	9,544,408
Sell., gen. & adm. exp.	7,409,081	6,655,553
Operat. profit	4,141,718	2,888,855
Other income	74,583	202,108
	4,216,301	3,090,963
Interest, etc.	409,425	375,304
Depreciation	689,442	756,467
Income taxes	1,763,000	1,276,000
Net profit	1,354,434	683,192

Walwyn, Fisher Now TSE Members

A new firm known as Walwyn, Fisher & Co., members Toronto Stock Exchange, has been formed to acquire the business of T. O. Grills & Co., Toronto brokers.

The new partnership is headed by J. P. Walwyn, president of Walwyn, Fisher & Co. Ltd., members of Investment Dealers' Association of Canada, and includes S. B. Heath, O. R. Edmonds, A. P. Fisher and H. J. Knight.

T. O. Grills, head of the firm which has borne his name since 1939, will be associated with the new partnership.

UNITED NATIONS
STATISTICAL YEARBOOK
1952

This is the fourth issue of a comprehensive collection of international statistics, covering the following fields: Population, Manpower, Agriculture, Forestry, Fishing, Industrial production, Mining, Quarrying, Manufacturing, Construction, Electricity, Gas, Consumption, Transport, Communications, Internal trade, External trade, Balance of payments, Wages and prices, National income, Finance, Public finance, Social statistics, Education, Culture. Most tables cover a twenty-year period up to the end of 1951 or early 1952. 554 pages, clothbound, $7.50

DEMOGRAPHIC YEARBOOK
1952

This is the fourth issue of an international compilation of demographic statistics, containing new, additional and revised figures and time series on population, births, stillbirths, deaths, marriages, divorces and international population movements for all areas. Geographic distribution of population is featured with a special chapter on urban trends and characteristics. Also data on: urban-rural population, major civil divisions, localities by size, capitals and cities over 100,000. 518 pages; clothbound, $7.50; paperbound, $6.00

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ADDITIONAL ISSUE

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(Incorporated under the laws of Canada)

5% Sinking Fund Debentures
due April 15, 1969

To be dated April 15, 1953 To mature April 15, 1969

Trustee: The Canada Trust Company

In the opinion of Counsel, the 5% Sinking Fund Debentures due April 15, 1969 will be investments in which The Canadian and British Insurance Companies Act, 1932, as amended, states that companies registered under Part III thereof may, without availing themselves for that purpose of the provisions of subsection (4) of Section 60 of said Act, invest their funds.

We, as principals, offer these 5% Sinking Fund Debentures due April 15, 1969 if, as and when issued by Traders Finance Corporation Limited and accepted by us and subject to the approval of all legal details on our behalf by Messrs. Borden, Elliot, Kelley, Palmer & Sankey, Toronto, who are also Counsel for the Company.

Price: 99 and accrued interest to yield about 5.09%

Subscriptions will be received, subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

It is expected that the Debentures in interim form, which will be exchangeable for Debentures in definitive form when available, will be ready for delivery on or about April 15, 1953.

A prospectus, a copy of which has been filed under the provisions of The Companies Act, 1934, as amended, will be promptly furnished upon request.

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Nesbitt, Thomson and Company Limited
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Grandpa Had An Idea

It took a lot of work for grandpa to make a job for himself.

He invested months sometimes years of his life, in clearing the land so he could really start to "work" and put in a crop.

For grandpa made his own job.

In years ahead, the Canadian worker will have to borrow the idea from grandpa's day. He will have to help provide his own job. This country is going to need a lot more investment capital. And it will have to come from a lot of people who work in factories, and stores and shops, and who never called themselves investors. They have to put up the money.

Wealthy men used to be able to provide the funds for capital expansion. They built railroads, factories, and opened mines. Then they did the same things all over again, only bigger. Even if the "little" man happened to know a Class "B" Common from a Participating Preferred he didn't have the cash to buy either.

But times have changed. The "little" man makes more. The "big" man makes relatively less.

And there are millions of "little" men for every "big" man. Combined, they hold the country's future in their hands. For they have the capital, the savings out of their incomes.

Long ago machines started to take the place of muscle. Ten men with hoes became one man with an ox. The ratio of capital investment to labor soared. Today it takes $8,400 investment to give an average laborer a job, the Canadian Manufacturers' Association has found. And this piling up of machines, machines, machines, has no limit in sight.

And the money? It must come from people who have never clipped a coupon or cashed a dividend cheque.

Complications of modern finance may becloud the picture. But today's workingman's investment, though not as direct as grandpa's, is just as important, and has the same end:

More jobs, more goods, more Canada.

Let's Do More Ourselves

Canadian companies should be doing far more on their own research instead of relying on industry in the United States and Britain, Dr. G. Edward Hall, president of the University of Western Ontario said in a recent New York address. "We in Canada," he said, "have the resources and raw material, we produce the scientists—for export in too many cases—and we should have a realistic share of the industrial research laboratories where young Canadians, knowing Canada, loving Canada, thinking Canada, looking to a future in Canada, could use their scientific abilities in Canadian industrial laboratories."

Due to our very much smaller production and home market, it would hardly be possible for Canadian industry to conduct all its own research even if this were desirable. In many cases the cost would be prohibitive. But as Dr. Hall points out, we can lean dangerously far in the other direction.

For obvious reasons Canadian needs and tastes are not identical with those of American or British consumers and it should be good business as well as good Canadianism to cater to those special requirements. Only in a very few fields are we turning out a product that is distinctively Canadian. There must be improvement here or we will find ourselves a mere imitation of another nation.

You're Right, Mr. Gordon

Donald Gordon recently expressed the fear that the railways are pricing themselves out of the market.

Here is a letter from a reader written prior to Mr. Gordon's statement.

"The other day coming in from Chicago on the CNR diner the waiter noticed that I had finished my pot of coffee. He said 'I'll bring you another one,' which he did. When I got my bill I found I was charged 30c for the extra pot of coffee which I had not asked for although I did not object to it being brought.

"In the previous three weeks I had had meals in perhaps 30 different restaurants and I had had about 10 or 12 meals on various American dining cars—New York Central, Baltimore & Ohio, Southern Pacific, Rock Island and others. On no occasion was I charged for a second cup or pot of coffee.

"The most expensive breakfast I had on any train was on the Canadian National Railways."

Are our railways in Canada pricing themselves out of the market?

O.K. Reader. Even the CNR boss agrees with you.

Why They Don't Come

Rosy dreams of the millions of American dollars the tourist industry was going to earn were rudely shattered by the release of official statistics for last year.

Canadian travellers spent $336 millions in the United States and other countries last year. Visitors to this country, mostly Americans, spent $276 millions. The net result was an adverse balance of $60 millions. Just four years ago the balance was almost $150 millions and in our favor.

It's time Canadians did more sober, plain thinking about this tourist business. It's all very well to talk about our bracing climate, our magnificent scenery, our wonderful fishing and hunting. That is true but we must remember that other countries have these things too, and some of them additional natural assets which you won't find in Canada or at the same season.

If we really want to develop our tourist industry, then we will have to do something more than boast. In fact we might do with a little less of that.

We need better roads, at least as good as those which the potential tourist finds at home in the United States or Europe. We need much better and more accommodation, especially in the moderate cost brackets. We need better food and cleaner dishes in our restaurants. We need cleaner washrooms in our gasoline stations. We need lower prices both for services and for merchandise which the tourist wants.

Above all, however, we must cease trying to create an imitation of the environment the American or other visitor finds in his own country. This is not Switzerland, or England, or the United States which these people are visiting. It is Canada.

There should be no mistake about that the instant the border is crossed. The vast majority of tourists leave their own country for one reason only. They want to see something different, something typically Canadian. They are not the least bit interested or impressed in finding exactly the same things as they have at home.

Anyone Can Picket

The assumption, which is usually made by organized labor and probably also by the majority of citizens, that nobody will ever want to do any picketing except organized labor, seems a little unsafe, and it might be wise if union leaders and their advisers paid some attention to the basis of the right to picket and the question as to what circumstances create that right and in whose favor.

The recent Canadian Supreme Court decision whose results are being criticized by the Canadian Restaurant Association amounts to saying that an establishment can be picketed by persons who have no connection with anybody in it and no interest in it except a desire to establish their own union there. That was the description of the circumstances involved in the case, and the court was not called on to establish any principle going beyond those circumstances.

But it is very questionable whether this right to picket can be restricted to bona fide trade unions claiming the right to campaign for membership in a hitherto nonunionized shop. If a union with no other credentials than that, can picket, so, we imagine, can almost anybody else. The real essence of the decision in this case was that the pickets had a right to draw attention by their picketing to an actual fact, namely that the shop was operating without a union agreement.

Presumably it could also be picketed by any other group which wished to draw attention to some other aspect of its operations which the group regarded as undesirable. The dairy people could picket it to announce it was using margarine; the temperance people could picket it to announce that it was selling liquor.

And assuming all these things to be true they could all picket it at once, even if it was perfectly unionized in every department. For it is inconceivable that picketing is an exclusive right of trade unions, or even that trade unions have an absolute right not to be picketed. For that matter they already picket one another which disposes of the latter contention.

And if anybody can picket, provided only that he merely draws attention to an actual fact, what is to prevent an organization of professional picketers from picketing any establishment likely to be damaged by that process, until the owners get tired and pay them to go away?

Giving the Man a Hoe

The difficulties which arise whenever one nation tries to interfere, even with the most unselfish motives, in the economic life of another nation are already beginning to plague the operations of the Point Four undertaking of the United States. In one of the Far Eastern countries to which that undertaking is directed, a huge mass of costly machinery is lying idle after only a week of use, because the natives discovered that it would replace the labor of several thousand of them, and quite naturally objected to being displaced by a machine if there was no provision for their being employed in something else.

The truth is that it is not only uneconomical but disastrous, to introduce much machinery into overcrowded countries, because there is absolutely nothing else, no other kind of employment, to which the displaced labor can turn. What it ought to turn to is manufacture, and manufacture not for domestic consumption, but for export to some country from which food can be obtained in exchange. But countries with surplus food are high-labor-cost countries, and will not admit the products of low-cost labor from overcrowded countries, so there is no help from that direction.

Canada's share in the Colombo Plan seems to have escaped this error, being almost entirely directed toward increasing the quantity of productive land rather than decreasing the amount of labor required to work it. This is the proper treatment of the food problem in an overcrowded country—to increase output without decreasing the demand for labor.

Mechanization of the labor-saving kind is worse than useless, and will continue to be so as long as no alternative occupation can be offered to the worker which will either itself produce food or produce something which can be exchanged for food from people who have some to spare.

For 150 Years

Since 1804 the British and Foreign Bible Society has been distributing Bibles, testaments, and scriptures all over the world—at the amazing rate of 10,000 a day.

The Society co-operates with all the Christian churches. It makes no notes or comments on the Bible and devotes its full efforts to help make the scriptures available in some 800 different languages.

And what are the results?

Dr. A. H. O'Neil, head of the Canadian Society, cites one example. He has just returned from East Africa and tells The Post that in Uganda there has been a native Bible for about 50 years. Over 80% of the natives are Christian. And there is no anti-white problem.

But in neighboring Kenya, there wasn't a Bible available in the Union Swahili tongue, which most of the natives use, until late last year. There are few Christians. And as all the world knows, here there are most violent feelings against the white man. That's Mau Mau land.

Dr. O'Neil doesn't say that Uganda's calm and Kenya's unrest are just cause and effect—Bible versus no-Bible. But he does believe it is a part of the reason.

For centuries we have been passing along most of our vices to native peoples, and have been teaching them how to kill each other more effectively. It's an encouraging thought that while all this has been going on, some of our people have been passing along our spiritual discoveries and helping native peoples to live more effectively as well.

Holiday Scratch Pad

By DOFY SKAITH

THE FinPost shows its intrepidity by handing Napier Moore's Scratch Pad to a woman to tear. He may bask his sun-starved bones in Nassau, but we are basking in the light of the torch handed us to carry for the next four weeks.

Our most marked impression of a visit to Nassau a few weeks back, apart from the sun and sea and our maniacal pursuit of sea shells, was meeting Lord Beaverbrook.

Though looking a little sere physically, he entirely dominated the dinner table with his acid wit and voracious curiosity about all things Canadian.

In the middle of dinner one of his butler-types, who all wore grey business suits, set a small tray beside the Beaver. It held a saucer of milk and another of meat. To our amazement we watched our host rise, pick up the tray and step out to the porch calling the cat. He stood firmly over the cat for ten minutes insisting it drink the milk first. When he returned and noticed his guests' surprised faces, Lord Beaverbrook explained, "Fool cats down here don't know the first thing about a balanced diet."

Another unusual dinner partner one night was Sir Victor Sassoon, international tycoon. Though confined to a stream-lined wheelchair because of a spinal ailment, he looked a vital 55. He announced he was 73 and believed in hormones. "You see," he continued, "I'm not prepared yet for the great life to come. This existence of ours is just schooling for our real life to follow. Why, I'm barely out of high school here, I need another 20 years." With which he popped several gaily colored pills, size 42, into his mouth and grinned like a freshman.

* * *

LESTER VELIE, who wrote "Suckers in Paradise," an article on Caribbean gambling, might like to know that one sucker got away. A recent visitor to the Bahamian Club won at odds of 60 to 1 and 30 to 1 in three plays at the Hazard table. He shrewdly retired for the night and had a delightful dream. In the dream he gambled his winnings on the three sixes at 180 to 1 and cashed in $90,000. Awakening inspired, he made a beeline for the same table that night. The table was vacant, deserted. In anguish he asked the manager why no one was playing his game and was told that the croupier was sick. "Sick? Sick my eye," the visitor cried, "he must have had the same dream!"

* * *

CONCHOLOGY, sometimes called Malacology, or more simply sea-shell fever strikes about four out of every 10 people who expose themselves to beaches. The victims, according to personality, fall roughly into three categories:

(1) The Foolish Frenzy that Fades.

(2) The Re-occurring or Seasonal Frenzy.

(3) The Permanent Frenzy or True Collector.

The first type is stricken on any beach, usually by finding a yellow egg-cockle newly left by the tide and filled with glistening sea water. The results of this find are often pathetic. The victim races up and down the sand and in and out of the sea snatching at shells — any old shells.

Dofy Skaith is The Post's guest columnist. Wife of a Toronto stock broker and mother of two, she is a celebrated hostess and yarnster. Her experiences include newspapering and painting for Walt Disney.

They are innocent of the book-of-words on sea shelling which advises pith helmets, firm shoes, a thermos of cool water, a picnic lunch and proper cardboard boxes for your specimens. Naturally this first Foolish Frenzy class is eliminated at once — either by third degree sun-burn, lacerated feet or malnutrition.

The second type, the Re-occurring Frenzy, show early symptoms much like the Foolish Frenzy. They have read the book on shells and are saved by being able to recognize quickly a Tessellated Nerite, a Keyhole Limpet or a Tiger Lucina. These bits of knowledge give dignity to their collecting urge. They learn "selectivity" and develop into sound seasonal collectors providing they are exposed to re-occurring holidays by the sea.

The third type, the True Collector, is rarely seen on fashionable beaches. They prowl uncharted sands and are laden with knowledge and proper equipment. Even though there are 60,000 known species of mollusks (shells) the True Collector believes the theory that there are 40,000 more to be discovered and they are dedicated to the quest.

* * *

ARISTOTLE is responsible for the first classification of mollusks, and in 1685 Martin Lister laid the foundation of our modern classification in his volume, Historiae Conchyliorum.

There has been a terrific boom in Conchology. In the year 1800 they only knew 2,000 species. That means that 58,000 species have been added in 153 years or discoveries at a rate of 380 a year.

Stop Me If

Lonely baby-chick taking a look around the electric incubator full of unhatched eggs: "Well, it looks like I'll be an only child, Mother's blown a fuse."

* * *

The average girl needs more beauty than brains because the average man can see better than he can think.

Post Scripts

Tax Watch Dog

New chairman of the board of governors of the Canadian Tax Foundation is Thomas Arbuthnot McCombie Hutchison, resident partner of the accounting firm of Peat, Marwick, Mitchell & Co. in Toronto.

Born in 1907, Tom Hutchison is a native of Vancouver. He was educated at Bedford School in England during World War I when his family was living in the Old Country. Both of his parents were natives of Scotland.

On their return to Canada after the war, Hutchison joined Peat, Marwick, Mitchell as a student in accounts in Vancouver. He passed his final examination for his C.A. degree while attached to the Calgary office of the firm. Two years later, he was moved to the Toronto office, became a partner in 1936 and is now a senior partner.

Mr. and Mrs. Hutchison (the former Violet Hicks) and their two teen-age sons used to spend their summers at a cottage at the Lake of Bays. More recently, however, the boys have had summer jobs, and the family has stopped its regular summer trek north. Last summer, Mr. and Mrs. Hutchison holidayed in England, fitting the trip in with the International Congress of Accounting meetings in London which Hutchison attended.

Tom Hutchison's main outdoor recreational interest is golf. He's a member at Rosedale Golf Club in Toronto, plays "an indifferent game when the opportunity arises."

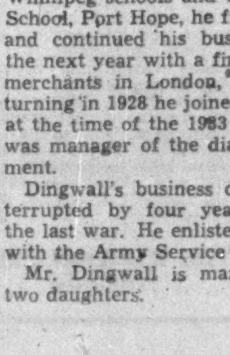
His main outside community activities have had to do with his profession. Not only has he been active for some time in the Canadian Tax Foundation (as a member of the board of governors 1949-51, vice-chairman of the board and chairman of the executive committee in 1952), but he is also treasurer of the Canadian Institute of Chartered Accountants. The Institute and the Canadian Bar Association are the two main sponsoring bodies of the six-year-old Tax Foundation.

* * *

Western Jewelry Family

The pre-Confederation Huron, and Erie Mortgage Corporation has added a member to its Winnipeg Advisory Board. He is Donald Charles Dingwall, third generation member of a family whose name has been synonymous with the jewelry trade of the west for 70 years.

Scottish clan tradition demands that the senior male member of each generation bear the name Donald. The first one, Donald Robert Dingwall, founded the western jewelry business in 1882. In turn it was carried on by his son Donald Waverley Dingwall until its amalgamation in 1933 with Henry Birks & Son when for 13 years it continued as Birks-Dingwall, Ltd. A reorganization in 1947 changed the firm name to Henry Birks & Son (Manitoba) Ltd.



MR. DINGWALL

The present Dingwall started his apprenticeship in the jewelry trade with his father when he was 10 years old, doing odd jobs in his spare time and summer holidays. Educated in Winnipeg schools and Trinity College School, Port Hope, he finished in 1927 and continued his business training the next year with a firm of diamond merchants in London, England. Returning in 1928 he joined the firm and at the time of the 1933 amalgamation was manager of the diamond department.

Dingwall's business career was interrupted by four years' service in the last war. He enlisted in Winnipeg with the Army Service Corps.

Mr. Dingwall is married and has two daughters.

Same Business — New Name

When the bell was sounded on the floor of the Montreal Curb Market at the end of trading last week, it brought to a close an era in Montreal financial history.

The bellringer was Woodward Marler, oldest charter member of the 26½-year-old market. The occasion was the end of trading on the Montreal Curb, as such.

On Monday morning last, the old MCM became the new CSE. With due ceremony, trading began on the Canadian Stock Exchange with a symbolic transaction between its chairman, Jacques Forget, and Edward T. McCormick, first president of the American Stock Exchange.

MR. FORGET

Forget, who was chairman of the Montreal Curb from last May, emphasizes that only the name is different.

"The name Canadian Stock Exchange is a recognition of the prestige and position which this Exchange now holds both in Canada and in financial circles everywhere," he says. "It reflects its present national stature and key role in Canada's economy."

It was in 1937, six years after entering the brokerage business with his two brothers in the firm of Forget & Forget, that Jacques Forget was elected a member of the MSE.

Eleven years later, after several terms as one of the governors of that exchange, he was elected to its chairmanship and became the first MSE chairman to serve three consecutive terms.

In 1951, Jacques Forget first took office—as secretary-treasurer—in the Montreal Curb Market, which he had joined four years earlier. Last year, he was elected chairman.

The man who has headed three stock exchanges — MSE, MCM and CSE—was born in Montreal in 1907, youngest son of Sir Rodolphe Forget, a leading Canadian financier of the time. First steps in his career in finance were taken with the Banque Canadienne Nationale in 1926 and the Royal Trust Co. in 1928.

At the age of 25, Jacques Forget was one of the founders of La Chambre de Commerce des Jeunes de Montreal, serving as its first president.

Tennis, golf and badminton are among the hobbies he favors for diversion from finance. In addition, Forget has held office in a number of local groups and philanthropic associations in Montreal.

Jacques Forget's entry into the financial world in 1926 coincided with the founding of the exchange he was later to head. When the Montreal Curb was officially opened on Oct. 4 of that year, in rented space in the Canadian Pacific Telegraph building on Hospital St., it was a local affair. The majority of the 63 stocks traded represented companies which could not meet the listing requirements of the Montreal Stock Exchange.

The 77 members of the MSE each took curb seats at $100, and an additional 23 memberships were sold to "outsiders" at $1,000 apiece. In 1929 —when everything seems to have set a record—a Curb seat was sold for $50,000. By 1930, the price had been reduced to $5,500. During the dark days of 1942, a seat traded for as little as $1.50 and share turnover dipped to record lows.

Today, the picture is entirely changed. In the first two months of this year alone, 31 million shares changed hands on the curb. If this keeps up, the Canadian Stock Exchange will, in its first year, easily surpass the Curb's peak year of 1950, when volume reached 103 million shares.

What Others Are Saying

Editorial of the Week

The Hand Outstretched

Swift Current (Sask.) Sun

The Sun would like to think that the Government could hold out its beneficent hand to all young prospective farmers, give them long-term loans to get into farming for the sake of the future of agriculture in Saskatchewan. The Sun would like to see the Government enabled to subsidize and make more grants for everything under the sun to perpetuate the greatness of our country. But The Sun would also like to see a renaissance of the spirit in young men of this province to get to depend a little more on their own courage, strength and perseverance to battle things of life through, instead of the prevalent idea these days that governments do things for them.

We think of the early settlement era; of the pioneer farmers who came out to this country from the British Isles, Germany, Russia, Scandinavian countries, without the benefit of long term loans at low rates of interest; of the men and their families who toiled hard through adversity to build this great agricultural empire today, raised large families and were the keystone of everything we have and enjoy.

None of us has any desire to retrogress (though the horse and buggy days were days of health and contentment and hard work that produced men and women of stature and was a way of life very desirable, too) but we would like to see in this new modern age, as we said before, a renaissance of the spirit of yesterday. It would help to achieve greater things in this country of ours. The "gimmes" won't achieve too much in the way of greatness.

Other People's Views

HOMES ARE NOT the first consideration with the majority of young people today, mourns the **Owen Sound Sun-Times.** "Unfortunately, the system of leaving the purchase of a home and the essentials to go with it, last, or nearly last, is not sound economy nor is it conducive to strong healthy, sound young people for the coming years."

COMPETITION is back in the motor car industry, thinks the **Windsor Star,** which cites the recent Chrysler Corp. cuts in car prices. "In these postwar years, the industry usually has enjoyed a boom market. Often the problem was to get the supply up to the demand, especially in the United States where limitations on certain materials hampered production. These now have been removed and the companies are out to compete for the market."

THEIR TOWN HAS been fortunate in its industry thinks the **Gananoque (Ont.) Reporter.** But many a town "that welcomed an industry with open arms many years ago has spent the rest of the time regretting the presence of a gouging, community-wrecking monstrosity that stays aloof from community life, supports nothing outside of its own profits, and maintains an effective lobby to keep taxes down and other industries out."

SOME PEOPLE ARE ALARMED over the abuses of the right of free speech and would like to control it. "We can't agree with this view," says the **West Vancouver Lions Gate Times.** "Canadians as a whole have a sense of decency and fair play, and so long as they have access to all the facts, and are allowed to hear all sides of the question, we believe they will not allow themselves to be carried away by any movement that depends on false propaganda for its success."

LET'S BE CAREFUL in changing place names, says the **St. John's (Nfld.) Journal.** "Now that the choice of place-names appears to rest with the federal postal authorities, it becomes even more important than ever to insist that the alterations of long-established names shall not be made arbitrarily. In a number of cases duplication of names which have no particular significance might well be changed to facilitate the distribution of mail matter, but even in such instances should be avoided the substitution of grandiloquent names or others of no relevance, historical or otherwise."

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April 4, 1953

How Changes in Tax Act Work Out: The Details

Some Related Companies Gain, Action On Share Bonuses

OTTAWA (Staff) — The new tax law allowing related companies to split the first low-taxed $20,000 of profits will mean a substantial gain to many. It is a reform which has been sought for many years. The Government refused it so long as the lower rate applied only to the first $10,000. Now that it is $20,000 it may be spread in such a way that small companies composing a group pay the 47% rate on the very minimum of operations.

Take the case where A, B, C and D are related companies, and each ends the year with a taxable profit of $5,000. Formerly only one of them could claim the low rate on the first $10,000. So half the low rate allowance would be wasted. Now the $20,000 can be split among them so that none of them will have to pay the high rate.

Or take a more probable case where company A has a good year and ends with $15,000 taxable. B has a bad year and ends with only $1,000. C and D make $5,000 each. Total profits of the group are $26,000. But the $20,000 low rate allowance can be distributed among them so that B, C and D all pay 18% on their low profits, and there is still $9,000 left of the low rate. So A pays 18% on its first $9,000, and 47% only on the remaining $6,000.

But if in the following year A has a bad year and B turns in high profits, then the $20,000 allowance can be redistributed to provide the lowest rate in the new circumstances. (Clause 14).

Tax on Share Bonuses

There will be much more argument about the change which imposes a tax on share bonuses to employees. (Clause 28). Its main interest lies in the question whether or not it represents a tax on capital gains. The Government maintains that it does not; but it perhaps comes nearer to it than most of our tax law.

The practice at which the new law is aimed has been developed in the United States, and it is often used as a device for keeping key employees when a mere increase in salary would not suffice. A corporation offers some key man an option to buy so much of the company's stock five years hence at the price prevailing now, or some other low rate. Or the stock offer may be made immediately at a low price. In either case the intention is presumed to be to give the employee a valuable share in the company which he could not otherwise get except at a higher price.

In the United States such inducements are taxable as capital gains. Here they have not been taxable at all until this present bill. What the Government now proposes is a formula for working out the "benefit" which the employee receives from offers of this kind. The "benefit" is to be the difference between 95% of the market value of the shares he receives, and the price he actually pays for them. This benefit is to be taxable, as soon as the employee exercises his option and acquires the shares.

If he wants to avoid taking the whole amount into income in the year in which he buys the shares, he can spread the tax over three years in the same way as is already provided for a lump sum pension. The effective rate of tax on the "benefit" in this case will be the rate applying to his previous three years' income.

Those who regard this as a tax on capital gains claim that the "benefit" should be considered a capital gain rather than income. The Government claims that it is a form of remuneration which ought to be taxed.

It has also been suggested that there is no true distinction between share bonuses given to employees in this way, and share bonuses distributed to shareholders. But the Government makes a clear distinction. A distribution of shares to shareholders is a distribution by the owners of a company to the owners. Bonuses to employees or others are special gifts to individuals at the expense of the owners of the company.

What do the proposed changes in the Income Tax Act mean to companies, individuals? Where will they be felt most?

Here is an explanation of the principal changes as set out in proposed legislation which now comes before Parliament, the new concessions, allowances, regulations, how they may work out, and the Government thinking behind them.

Two Closed-End Trusts Elect Corporation Tax

Two Canadian closed-end investment trusts, Dominion-Scottish and Economic Investment, have elected to pay corporation tax in 1953. This will enable shareholders to claim 20% tax credit on current dividends.

In addition, both companies have changed their fiscal year-ends to Dec. 31, 1952, so that all dividends paid in 1952 after June 1 will become eligible for the 10% tax credit to Canadian shareholders.

These Technical Changes May Bring Some Reorganizations

OTTAWA (Staff)—The pending reorganization of at least one important group of companies lies behind one of the technical amendments to the Income Tax Act put forward by the Government. It is designed to permit the transfer of the control of a subsidiary from its present parent company to another subsidiary of the same parent.

Under the existing law a block is imposed on the transfer of dividends to a parent company from a newly acquired subsidiary. It operates as an exception to the general rule that inter-company dividends are not taxable; and its intention is to prevent a large surplus in one company being cleaned out, free of tax, to the other. The "block" takes the form of a rule that the dividends paid by a newly acquired subsidiary to its new parent will be taxable if they exceed the earnings of the controlled company since the date when the parent acquired control of it.

This block would have prevented the reorganization which is now pending, because it would have made it impossible for the subsidiary whose control is to be switched to pay tax-free dividends to its new parent, as it can to the old.

In simple terms, company A now controls both B and C. Both B and C can transfer dividends to A tax-free. But it is desired to transfer control of C from A to B. If B buys enough shares to control C, it will not be able, under the present law, to receive dividends from C tax-free as A now does. The new law is designed to make this possible.

It provides that the relationship of A, B and C must have existed prior to May 10, 1950. It also requires that B, in acquiring control of C, must pay no more than the par value of the shares or a proper proportionate amount for no-par value shares. No capital loss must be established.

In these circumstances, which are known to apply to one particular case and may apply to several others, the block on inter-company dividends between a newly acquired subsidiary and its purchaser may be removed. (This is Clause 10 of the new bill).

Another of several changes designed to meet special situations deals with deductions on account of foreign taxes. At present income taxes paid to foreign countries on foreign-earned income are deductible in Canada. This covers income taxes and excess profits taxes paid abroad. It does not cover any capital taxes which have to be paid to foreign countries. By the new law the Canadian Government can allow any taxes paid to foreign countries to be deductible "subject to prescribed conditions." This will give the Canadian authorities much more elasticity in deciding what foreign taxes should be deductible. (Clause 16 of the new bill).

A concession is made about refunds for overpayment in cases where the refund results from a decision of the Income Tax Appeal Board, the Exchequer Court or the Supreme Court. The tax still has to be paid on assessment. Formerly if the assessment was upset on appeal the refund carried only the 2% interest payable on all overpayments. Now the Government will pay 6%, the same rate it charges taxpayers on arrears.

Salaries of the Income Tax Appeal Board are being raised. The Chairman, Fabio Monet, is to get $14,400; the assistant chairman will get $13,000; and the members, W. S. Fisher and R. S. W. Fordham, are to get $11,000.

These Provisions Ease Demand On The Individual Taxpayer

OTTAWA (Staff)—Besides the reduced tax rates announced in the Budget, the Income Tax Bill contains a number of provisions which ease the burden of personal income taxes.

Here are the chief of them:

Expenses for Elected Municipal Officers:

People elected to municipal office will now be in the same position as federal MP's and provincial MPP's in regard to tax-free expense allowances. That is, back to 1946, they will be exempt from tax on expense allowances provided these were specifically so called. Attempts, such as have been made in Ontario, to declare retroactively that salaries or other payments were really expense allowances will not be accepted. But if an elected official has since 1946 been receiving what was called and acknowledged to be an expense allowance, it will now be tax-free and refunds will be in order where appropriate.

The three important stipulations are (a) that the expense allowance may not be more than half the taxable salary or stipend; e.g. a $4,000 indemnity such as federal MP's receive will justify a $2,000 tax-free allowance but not more; (b) to qualify for the tax-free expense allowance the office held must be elective. (Federal Senators and members of the Québec Legislative Council do not qualify because they are not elected; neither do federal Cabinet ministers get any more tax-free allowance than ordinary MP's because they are not elected to Cabinet office); (c) the tax-free expense allowance is extended only to **municipal** officers: it will not apply to school boards or other elective offices in jurisdictions other than incorporated municipalities. (Clause 2).

Over 21's at school or universities:

Tax allowances in respect of dependents under 21 are now extended to cover children over 20 attending full time at schools or universities. They may be claimed either by parents or grandparents who are responsible for maintaining the children. And the children may now earn up to $750 in a year without disqualifying for the tax allowance. (Clause 8).

Medical Expenses:

Medical expenses are now deductible if they exceed 3%, instead of the former 4%, of annual income. Moreover, if the expenses are covered by Blue Cross or similar insurance schemes, it is not necessary to show that the bills have been paid before they may be deducted. If the expenses were incurred within a taxation year, they may be claimed as deductions in that year, even if the insurance firm has not yet paid them. This concession does not apply to bills which have to be paid by the taxpayer himself: in such cases they must be paid before they can be deducted from taxable income. (Clause 9).

Tax credit on dividends transferred from husband to wife:

A taxpayer who transfers shares to his wife, or a minor, or a person with whom he is not dealing at arm's length, has to pay tax on those dividends. He still does. But formerly he was not allowed to claim the tax credit on such dividends. Now he can.

But the change does not affect the more contentious case of dividends received by a wife in their effect on the allowances of a husband. The status quo still prevails in this case. (Clause 13).

Family allowances for the December child:

It had been held that the parents of a child born in December suffered an injustice in that the $400 allowance for a child not receiving family allowances would not be permissible in the child's 16th year. This is now changed so that the $400 allowance is payable to the parents of the December child for as many years as for children born in any other month. (Clause 42).

Cdn. Oil Cos. Sales Pace At New Peak

Sales of Canadian Oil Cos. in the first quarter of 1952 set a new record in the 45-year history of the company, president W. Harold Rea told shareholders at the annual meeting. Sales to date this year are more than 25% higher in volume than in first three months of 1951.

This increase, all in sales to industries and motorists, does not reflect new contracts for aviation gasoline, of which first deliveries were made to several Ontario RCAF, training stations this week. Expansion of marketing outlets to keep pace with expanded refining and manufacturing facilities was announced.

Large-volume service stations of a new design will be built this year in major cities and older stations will be modernized. The new building program is to enlarge sales from Canadian Oil's $23 million refinery, opened six months ago at Sarnia, and its $2 million lubricating oil and grease manufacturing plant, which went into operation at Montreal late in 1951.

Hughes-Owens Issues Sold

Three financing issues of Hughes-Owens Co. — debentures, preferred stock and common shares — have been sold by Fry & Co., Toronto bond dealers.

The $700,000 issue of 5½% Series A sinking fund debentures, sold at par, is to be used for redemption April 15, 1953, of outstanding 4¼% serial debentures and 5% sinking fund debentures, and other corporate purposes. Dated April 15, debentures will mature in 1968.

Proceeds of the issue of $500,000 6.4% cumulative redeemable sinking fund preference shares, par $25, will be used together with other available funds for redemption April 15 of presently outstanding $515,700 of preferred shares.

The isssue of 30,000 cumulative preferential 80c dividend Class A common shares, sold at $11.25 to yield 7.11%, will bring the authorized and issued total for this class of stock to 50,000 shares. Class A shares are convertible at holder's option into Class B common stock, share for share.

Founded in 1900, at Montreal, Hughes-Owens Co. sells a wide range of drafting equipment, scientific instruments and artists' supplies. Branches or subsidiaries are located in Halifax, Ottawa, Toronto, Winnipeg, Calgary, Edmonton and Vancouver.

Net profit in 1952 was $294,768 ($268,639 in 1951) and dividends paid totaled $38,628 ($34,971). Net earnings have increased each year since 1941, except 1945.

United Corp. Split Approved

MONTREAL (Staff) — Shareholders of United Corporations Ltd. have approved a four-for-one split of the company's class "B" shares.

This raises the number of class "B" shares authorized to 2,000,000, the number outstanding to 959,160. Also outstanding are 52,237 no par value class "A" shares.

For April Investment . . .

More complete information on the shares listed below is contained in our April issue of "Investment Suggestions" a copy of which is available upon request.

Security	Rate	Maturity	To Yield Approx.
Province of Ontario Guaranteed Hydro-Electric Power Commission	4¼%	1964/67	4.22%
Province of Quebec	4 %	1963/66	4.05%
Province of Manitoba	4 %	1961/63	4.06%
Province of New Brunswick	4½%	1963/65	4.55%
City of Toronto	4 %	1966	4.21%
City of Vancouver	4¾%	1973	4.70%
Protestant School Board of Greater Montreal	4½%	1969–72	5.05%
Roman Catholic Diocese of Halifax	5 %	1969	5.11%
Bell Telephone Company of Canada	4½%	1967	4.38%
Brazilian Traction, Light & Power Company Limited—Convertible	4½%	1971	5.31%
British Columbia Electric Co. Ltd.	4¾%	1977	4.82%
Canadian Pacific Railway Company—Convertible	4 %	1969	3.46%
Dunlop Tire & Rubber Goods Co. Ltd.	5 %	1972	4.88%
Shawinigan Water and Power Company	3½%	1973	4.08%
Steel Company of Canada Limited	$ .80 + .30	Preferred*	3.36%
United Fuel Investments Limited	$3.00	Class "A"	5.17%
Building Products Limited	$1.80	Common	4.56%
Imperial Oil Limited	$ .80	Common	2.39%
Interprovincial Pipe Line Company	$ .30	Common	1.29%
Noranda Mines Limited	$4.00	Common	5.13%
Page-Hersey Tubes Limited	$2.60	Common	3.69%

*Dividend preference $.35 per share; participates ratably with ordinary shares after dividends on latter equal those paid on preference.

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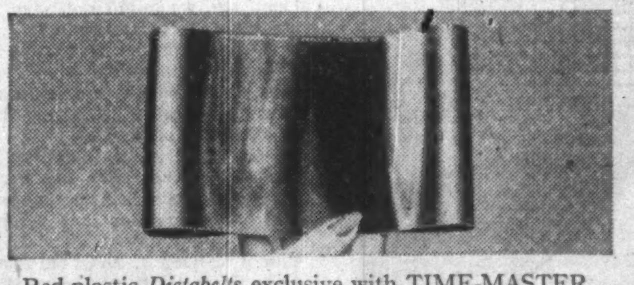

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Good Or Bad? B. C. Isn't Sure

Here's Candid Look At Social Credit Government

What does B. C. business think of Social Credit? What did the SC Government do in its brief period in office? What's good, what's bad in it? The national outlook? Gordon L. Smith, associate editor of The Post, reports following a tour of the Western provinces.

By GORDON L. SMITH

VICTORIA, B.C. (Staff) — Although it has been in power almost a year most people in this province and a great many outside of it are still wondering what kind of a government they really have had in British Columbia.

Officially, of course, it calls itself Social Credit. But ask your taxi driver, or your barber, or your business friend what that means, and he will simply shrug his shoulders. Go even into the grey stone dome-topped Parliament Buildings 100 yards from the ferry dock, and behind carefully closed doors you will get almost the same vague reply.

S.C. spokesmen, if you can find one of the few who will talk, are not much more satisfactory.

"You shouldn't have to ask that," they will say gently. "Names don't mean very much nowadays. Look at Saskatchewan. They have what calls itself a socialist government there, you know, but you certainly don't find it acting socialist any more, at least so far as the real men running that government."

Talk Free Enterprise

Then, if you still look unconvinced, they will hand you a statement made by Premier W. A. C. Bennett at the official opening of the big Wahleach hydro-electric development last December. Sanding beside A. E. Grauer, president of B. C. Electric, Premier Bennett said this:

"The present government in our province is a genuine free enterprise government. And we welcome new capital and new enterprise to come and join in this great new development. We seek, as all enlightened governments should seek, to protect the legitimate efforts of our own people. But I want to say clearly that the Social Credit Government at Victoria not only welcomes new capital and new industry and new development, but we will see that such new capital and new industry will receive fair treatment."

And since then Premier Bennett has made further statements, both public and private, along the same lines. He and other leading government members keep spare copies of Finance Minister Gunderson's budget speech handy and pass them out to the curious. Here again the emphasis is on free enterprise and orthodox finance and business. There is much about paying off debt, government retrenchment, lower taxation and so on. "Don't worry about political tags," they say, "just look at the record."

That's the way they have been talking, ever since they came into precarious control of the government machinery last summer and that's the way they are going to talk in the new election campaign now under way.

And business people, especially the very substantial number who voted Social Credit last summer and say they will do so again on June 9, will tell you the same thing.

"Names don't mean a thing, either here or in Alberta," they say. "These people are really conservative, probably a good deal more conservative than the political party which uses that name officially either here or at Ottawa. They're not a lot of wild men. Look at Bennett, or Gunderson, or Bonner, the Attorney-General. These are good, solid and successful business people. They know what we need here in British Columbia, and after they have a chance to settle down and get organized there will be a lot more of the same kind in the government. Nobody expected to see the first phase last long. They must be given a clear majority and that's what they are going to get now because they will have far better candidates than in the last campaign."

But Some Doubts

But not everyone you talk to is as confident—perhaps hopeful would be a better word—as those quoted above. They are not at all sure what sort of government they have had this last year, though they are mighty thankful it is not CCF.

"With those fellows in power," they say bluntly of the CCF, "there might have been quick disaster. They would certainly have tried to nationalize our biggest industries, forestry, mining, fishing and power, perhaps some others, too. And many of those industries, particularly the first three, are facing grave enough production and marketing problems now without the threat of nationalization as well. This Social Credit phase has given us a breathing spell, but we're none too happy with it either, when we look ahead."

Already there are some misgivings, even among those who voted Social Credit last time, and will do so again. There have been some changes in the municipal assessment for school purposes, which could lead to more provincial control than is considered desirable. There are special so-called production taxes on logging, minerals and such basic industries, usually in the neighborhood of 10%.

In some of these taxes, that on logging is an example, most people seem to think that the new government aimed at the giants in the business, hoping perhaps to gain some favor from those that envy. There were some exemptions that seemed to further confirm that opinion. In actual practice, however, it was the much more numerous and smaller fellows that got hit.

Some Changes Needed

Some of the new taxes and legislation, much in fact, it is generally conceded is fair and overdue.

"This S.C. Government," they tell you, "has done several things that should have been done long ago and if they had been done long ago we might not have had to turn to Social Credit."

Certainly in the big centres like Vancouver and Victoria you won't find many people, and especially business people, who say they wanted Social Credit.

They will argue that they had no alternative: "The old parties were discredited. After the break up of the coalition they wouldn't listen to any advice, let alone ask for it or heed it. Even old friends like John Hart, who formed the coalition government and headed it for years, were spurned. They hesitated and when they did act they made blunders. Neither of the old line parties had a chance to win last summer. Only the CCF and SC could hope to win and we certainly weren't going to take a chance on the CCF. It was close enough even so."

Don't Want Federal S.C.

These people, however, certainly do not want to see this Social Credit business spread. They are particularly fearful of what might happen in the federal field.

"Funny ideas about money, trade and international affairs can't get very far in a provincial government anyway, as they discovered or pretended to discover in Alberta," they will say, "God help us if they try out that sort of thing at Ottawa. A lot of wild men might not be so easily controlled if they got some real power down there."

Already they admit some uneasiness, particularly in investment circles. Some Americans have been asking questions. Some of them have been wondering about the significance of the words "Social Credit" and have been none too reassured when they have been told that it has nothing to do with socialism, that SC is a party of the extreme right, not left. For a province like British Columbia, which needs all sorts of outside capital and especially risk capital, this confusion is certainly not an asset in this stage of western development.

But most of these people, though not all, again will tell you hopefully, that there does not seem to be much danger of Social Credit spreading far westward. They say that the organizers and leg men who came here from Alberta during the campaign last summer were sent home afterward and told to stay there. They are not expected to be invited back again now. There is not much mention of Alberta Social Credit in speeches by the leading members of the B. C. Government and there are whispers of coolness between Premiers Manning and Bennett. If you query SC Government leaders in B. C. they won't say much about Alberta, beyond the fact that it is, in their opinion, giving good sound free enterprise government "the same as we'll give here." They will also stress the fact that B. C. is a big province with big problems and a climbing population, an ample field in itself for any political party. "No need to worry about where we go from here."

NATIONAL TRUST APPOINTMENTS

E. H. Heeney — E. H. Ainlay — G. D. Forsyth

National Trust Company announces the appointment of E. H. HEENEY as Assistant Manager at Montreal Office. Mr. Heeney joined the Investment Department of the Company in 1937 and was appointed Treasurer in 1946. E. H. AINLAY has been appointed Secretary-Treasurer. Since joining the Company in 1924 Mr. Ainlay has held positions in the Stock Transfer, Investment and Trust Departments, and was appointed Secretary in 1951. G. D. FORSYTH has been appointed Assistant Secretary-Treasurer. Mr. Forsyth joined the Stock Transfer Department of the Company in 1929 and in 1948 became a Trust Officer in the Corporate Trust Department.

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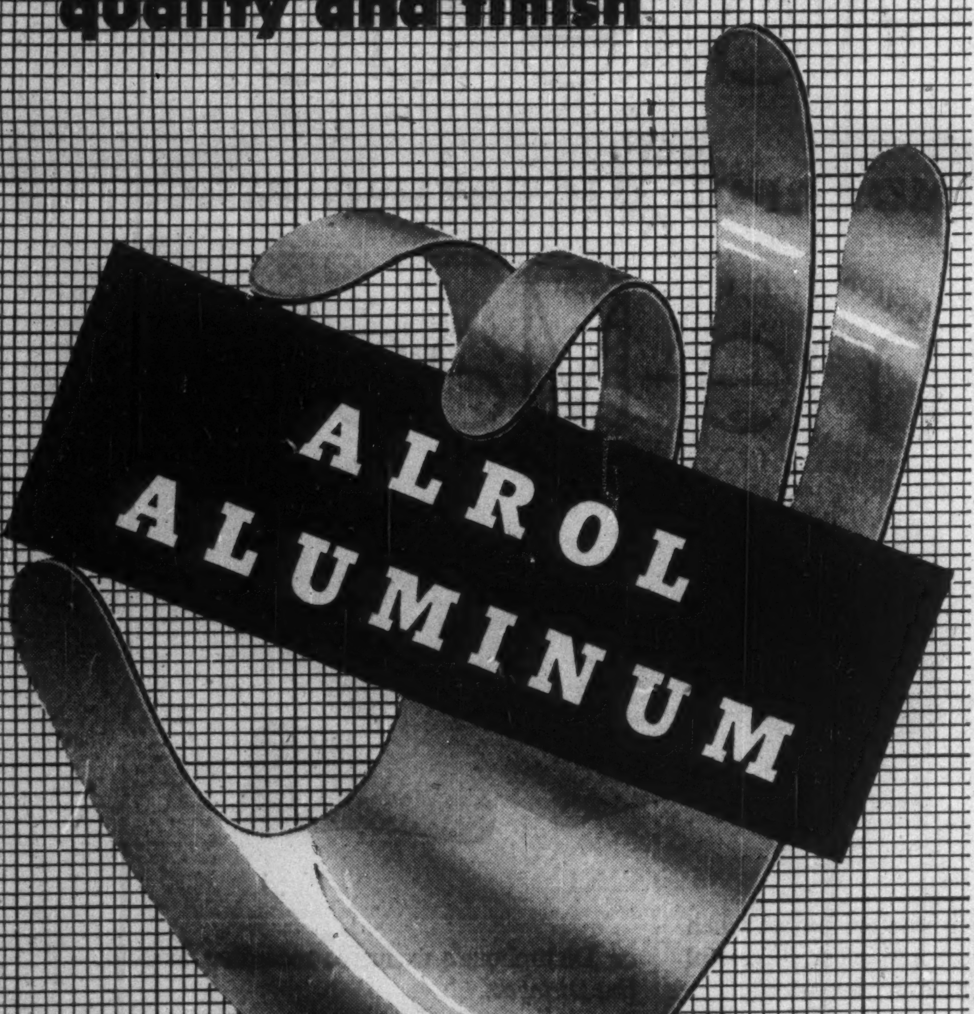

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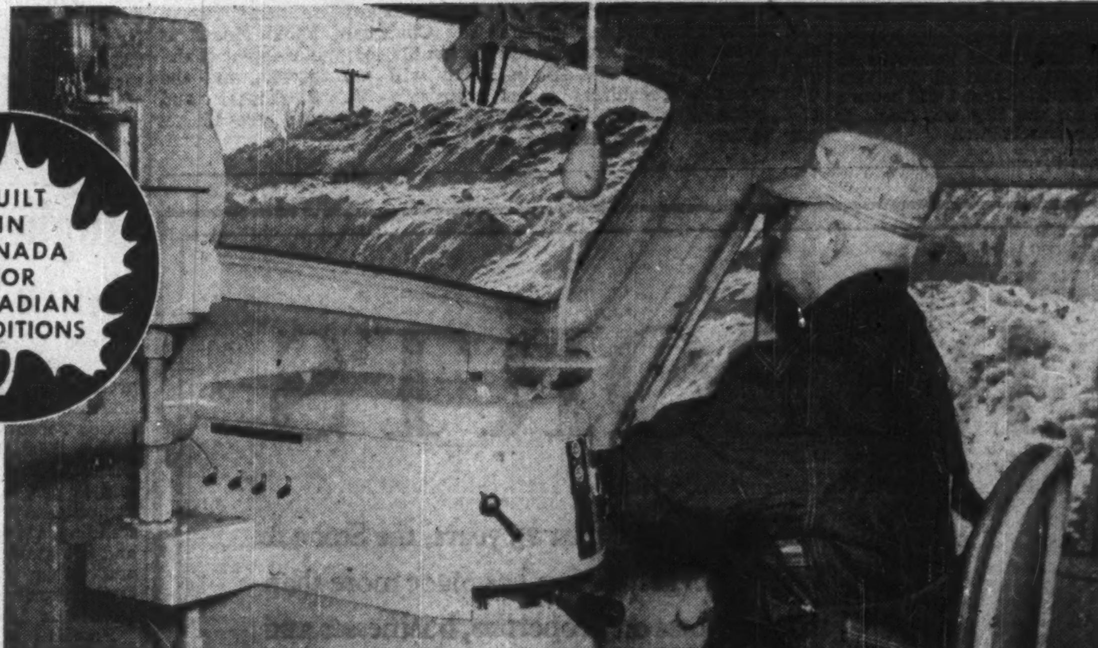

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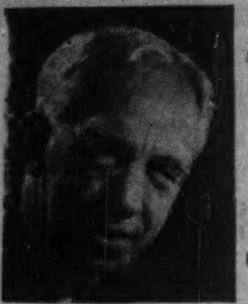

Sandwell Here

By B. K. SANDWELL

THE ANNUAL NORTH AMERICAN FESTIVAL of rabbits and eggs is now with us. It happens to coincide with the very ancient Christian festival of Easter, but the idea of any connection between the two should not be taken too seriously. The rabbits and eggs are a manifestation of commerce, while the celebration of Easter is a manifestation of religion.

It is no doubt an excellent thing that the children should be instructed in the principle of fertility, of which the rabbit is obviously a good symbol, and for which the spring season is the appropriate time. But the triumph of good over evil, of sacrifice over sin, which is the true subject of the Easter celebration, is another sort of thing entirely, and neither needs nor can accept any tribute from the toy and confectionery trades.

Even the hot cross bun — a very beautiful piece of symbolism so long as the cakes were made at home and the markings were impressed upon them by the mistress of the house with the reverence due to a profound religious concept — is not very meaningful when turned out by the million in colossal bakeries and consumed in much the same manner as cinnamon toast or layer cake.

Symbols which have ceased to receive the ceremonial respect which are their due have lost their meaning and their validity — and the world is the worse for the loss. They are not readily replaced. The creation of a new symbol is difficult, almost impossible, and hence the degradation of the old ones should be resisted as strongly as possible. I wish the rabbits and the eggs could be detached from Easter, for which they have no meaning, and attached, say, to March 21, the date of the official opening of spring. That would be a little early, in Eastern Canada, for the spring hat parade which is another inappropriate (and usually unseasonable) accompaniment of Easter, but perhaps another and later day could be assigned to it, wholly free from any religious connotation, by the provincial or national legislators.

As a little known but not unimportant Canadian poet once expressed it:

I crave your pardon, that I did not know —
But for you told me so,
Being a stranger here —
This festival you celebrate each year
I took to be a sort of dress parade
And fashion promenade —
The matter of a hat, and gloves and gown;
But for your telling me, I had not known
It had to do with linen grave-clothes laid
From the awakened Dead;
And with a napkin, folded by itself,
From the arouséd Head.

Labor Saved — Labor Lost

I AM BEGINNING TO WONDER whether the increase of labor-saving devices in this western world of ours can keep pace with the increase of labor imposed upon all of us by the demands of our various governments. In my own case the labor-saving devices which have been made available for my personal use, in my professional or private activities, do not seem to have done more in the last 30 years than just about offset the amount of time that I have had to take from my productive activities to compile accounts and fill in forms for various governmental authorities.

Thirty years ago I was, as I am now, operating my own house. It had a coal furnace, which either gave me a lot of trouble when I ran it myself or cost me a lot of money when I hired somebody else to run it. I also had an ice refrigerator, with an overflow pan which had to be attended to every day. And I had an ordinary old-fashioned typewriter.

Today I am again operating my own house, with an oil furnace of the most admirable efficiency, an electric refrigerator, and an electric typewriter, on which I do all my literary output about twice as fast as on the old threshing machine and with about half the consumption of energy.

But I doubt greatly whether these three savings compensate me for the days that I have to spend figuring out my receipts and expenses as a literary person in order that I may know exactly what is the least amount I can pay to a suspicious taxing authority and still get away with it and satisfy my conscience. (The authority and my conscience do not always agree; the authority passes things that my conscience won't pass, and vice versa.)

Of course I am only a small-scale industry, in fact a one-man plant. In the mass-production industries the rate of labor-saving progress has been far faster. Yet I wonder whether it can go on indefinitely, with the manhour getting more and more productive, until the end of time. And since the amount of work that we have to do for governments, and the share of the produce of our work that we have to pay to governments, seems pretty sure to go on increasing, where are we going to end?

We Can Sit This One Out

HOW FORTUNATE IT IS FOR US that the Privy Council a generation ago decided that the British North America Act did not preclude women from sitting in the Senate if the government chose to appoint them. How fortunate also that Quebec a little later abandoned (last of the provinces to do so) the exclusion of women from its provincial franchise! If it were not for these things we should be in an embarrassing position.

For here is the United Nations General Assembly trotting forward its Convention on Political Rights for Women, according to which they are to enjoy all political rights "on equal terms with men." And nations which fail to sign and ratify this convention must, according to the New York Times U.N. correspondent, endure the obloquy of being cited annually in the Secretary General's report as one of the less "liberal" nations.

Canada however might conceivably, and the United States quite probably will, evade the issue by taking refuge behind the constitutional inability of the national government to dictate the terms of the franchise in the provincial sphere. Canada cannot guarantee that its present fairly complete respectability in this matter will always be maintained, for some future government in Ontario, or Prince Edward Island, finding itself unpopular with housewives on account of some edible fats legislation or other invasion of household liberty, might decide to throw the women off the voters' lists, and Ottawa could then do nothing about it.

Incidentally the phrasing of the convention might very easily, and perhaps rightly, be taken to include such "public functions" as that of serving on juries, a function which is not yet open to women in several of the 10 provinces.

The "Right" To Employment

THE "RIGHT" TO CONTINUED EMPLOYMENT seems to me to be one of the most misunderstood of the recent additions to the list of individual rights. A generation ago it did not exist and was barely thought of as something that could be claimed as socially desirable. It then became obvious that the task of organizing workers in a union was pretty badly handicapped when a worker could be dismissed for merely participating, or being suspected of participating in the organization process, and that particular ground for cessation of employment was prohibited in a great many jurisdictions. With this beginning there has grown up a tendency to argue that a person once employed in a job which continues to exist has a right to continued employment in that job as long as it exists, so long as he remains capable of performing the work, and so long as he is not guilty of any criminal activity.

This appears to me a very excessive concept of the right of the worker to his job. I can think of a large number of causes, other than diminished capacity mental or physical, which should be sufficient to justify severance. A great deal depends on the nature of the job. The teaching of children at once comes to mind as an employment for which a teacher can quite properly be considered disqualified by many different circumstances. In the present state of the world I am entirely prepared to regard membership in the Communist party — the official, card-holding one, not the mere group of people who have on occasion voted for a Communist alderman or legislator — as a complete disqualification for teaching any kind of pupils who are not sufficiently mature to form an adult judgment on the Communist belief.

If that is the case, the right of an investigating authority to enquire whether a teacher is or is not a member of the Communist party is ipso facto established; and the case argued for teachers who, in the United States, refuse to answer that question by claiming the protection of the Fifth Amendment to the Constitution falls to the ground. For the right to continued employment, be it noted, is a right AGAINST the employer. Whenever it exists, it destroys a right of the employer to cease to employ. And the right to cease to employ a teacher who is a Communist is, I think, a right which should not be destroyed.

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Research Council Scholarships For 61 In Ont.

The Scholarship Committee of the Research Council of Ontario is granting 61 scholarships amounting to over $48,000 to Ontario students taking postgraduate work at Canadian and U. S. universities this year.

The grants, ranging from $750 to $1,000 apply to the 1953-54 academic year and are limited to research in natural and physical sciences.

"Canada's expanding economy and the increasing industrialization of Ontario is accenting the need for research both in manufacturing and in the management of our resources," W. K. Warrender, Provincial Minister of Planning & Development commented in announcing the awards.

Since 1946, when the Research Council began granting scholarships, some 327 awards have been made to 246 students, representing over $246,000.

Monsanto To Make Popular Plastic

Monsanto Chemical Co. — parent company of Monsanto Canada Ltd. — is going to enter the field of manufacturing polyethylene plastics. Studies of alternate processes for making the popular plastic product have been under way at Monsanto for several years.

Although no news is available at this time on the Canadian company's plans for production of polyethylene, this is considered a likely move. Polyethylene plastic is made from petroleum products and is used in manufacture of flexible bottles and carboys; used in wire coating, acid and solvent resistant tank and pipe linings, coatings for metal, wood, paper and fabric sheeting, films for packaging frozen foods, etc.

Monsanto Canada Ltd., with plants in Montreal, Vancouver and Oakville, is already producing polystyrene, polyvinyl chloride, phenolic and urea plastics in Canada.

Large UK Engineering Firm Sets Up Branch For Canada

One of the world's largest firms of consulting engineers, Sir Alexander Gibb & Partners of London, England, is branching out to Canada. It has opened an office in Toronto as a first step in operations here.

It will seek to do any form of consulting in the field of civil engineering: buildings, hydro electric or thermal power, irrigation, docks and harbor work, water supply, sewerage, factory buildings, and other types of construction. Firm has other overseas offices in Bombay, Teheran, Wellington, New Zealand, Khartoum, and in collaboration with Sir Alexander Gibb & Partners (Africa) at Nairobi, Dar Es Salaam, Jinga and Bloemfontein. It also has resident engineers' offices in many places as work warrants it.

J. M. Wardle, retired director of the special projects branch of the Department of Resources & Development, Ottawa, will be associated with the firm in Canada as a consultant, with office in Ottawa. Chief engineer in Canada will be Charles C. Marshall, with W. T. N. Reeve as deputy, both from Britain.

Sir Alexander Gibb, founder of the firm and now retired from active management, made a report to the Government of Canada on Atlantic harbors in 1931. The report was largely responsible for establishment of the National Harbors Board.

One job the firm is currently working on is a water purification and piping system for Teheran, Iran. It also has a large dam and power project on the Nile.

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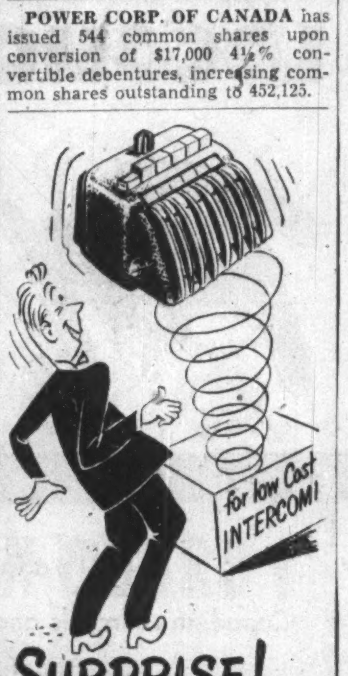
B.C. Telephone Gets Rate Hike

Special Correspondence

VANCOUVER—New increases in telephone rates in Vancouver, Victoria and New Westminster have been approved by the Board of Transport Commissioners.

The Board last week allowed $725,654 in new increases for the B. C. Telephone Co. and confirmed $1,739,047 granted in an interim judgment Dec. 4 when local and long distance tolls were increased. The company had asked for $2,964,700 additional revenue but later reduced this by $350,000 when its federal income tax was cut.

Vancouver individual residence phones will now cost $5.35 a month instead of the interim rate of $5.20; business rate will go up from $12.40 to $13.25.



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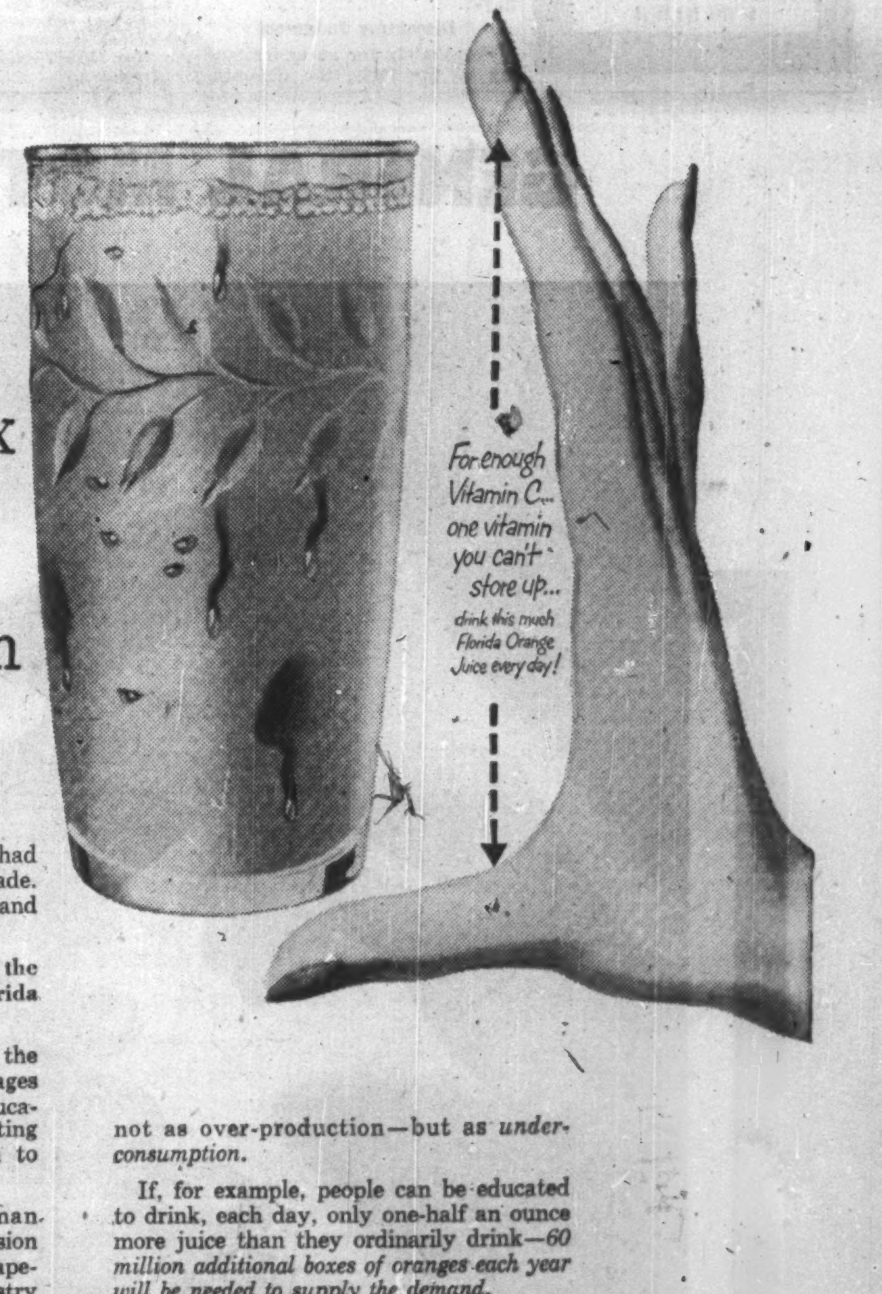
A self-imposed tax helps solve an industry problem



IN 1935, prices for Florida citrus fruits had been declining steadily for almost a decade. Yet even bigger crops were on the way, and still lower prices were being faced.

Should trees be cut down? Or could the public be educated to use *more* Florida citrus fruits?

Florida citrus leaders decided that the public could be made to see the advantages of consuming more—but this job of education, they felt, could be done by legislating a *self-imposed* tax, and a commission to administer it.

The Governor appointed an 11-man commission—the Florida Citrus Commission—and a tax on each box of oranges, grapefruit and tangerines was levied on the industry . . . *at its own request.*

In the seventeen years since, sales of Florida oranges have increased from 16 million boxes a year to 79 million; grapefruit from 11½ to 36 million; tangerines from 2 to 5 million.

As with any agricultural commodity, demand and supply are not always in balance. With further heavy increases in production now foreseen, education to spread the market will be intensified.

For the Commission views the problem not as over-production—but as *under-consumption.*

If, for example, people can be educated to drink, each day, only one-half an ounce more juice than they ordinarily drink—*60 million additional boxes of oranges each year will be needed to supply the demand.*

Instead of cutting down trees, thousands more would have to be planted!

Thus our client, the Florida Citrus Commission, is using the mass techniques of advertising and sales promotion to increase consumption for the benefit of its own industry, for the benefit of the whole economy of Florida, and for the *health* of millions of consumers.

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ABOUT YOUR TAXES By STUART THOM, LL.B.

Of Ships, a Financial Angel and Ottawa

Hiding identities in Income Tax Appeal Board judgments by such devices as Mr. (or Company) A is common enough practice but it has been carried to a confusing extreme in Case No. 78.

The result is a mystery as involved as you'll find anywhere in legal documents. Heard by all three members of the Board, a majority and a dissenting judgment were handed down. And here confusion really becomes confounded.

The dissenting judgment would even hide the type of business involved under the periphrasis "structures used in transportation" or "transportation facilities."

This, however, was negatived by the majority in a forthright assertion that the appellant was a shipbuilding company which, in 1947 and 1948, built five ships for a foreign company.

All members of the Board agree on referring to the appellant as Company A, but a financial angel which loaned around a million dollars to Company A is referred to as Corporation B by the majority and as Company C by the dissenting member of the Board.

The latter tags the foreign purchaser as Company B while the majority let it go unnamed.

The remaining character in the plot is just plain "C" to the majority but "Entity D" to the dissenter.

Government Loan

Whether these bits of fancy by the Board are intended to protect the anonymity of the parties or merely indicate that the members of the Board do not read one another's judgments, they make it difficult to offer useful comment.

In any case, the agreed facts are that the appellant had underestimated the costs of building the five ships and ran into financial difficulties. It borrowed money from the unidentified lender and the total advances amounted to $914,000.

In June of 1950, the appellant entered into a contract with another unidentified party which has a strong resemblance to the Government of Canada. This contract, to which the original lender was not a party provided that the advances would be abated by several amounts including the amount of $450,000 "representing the portion of the loss assumed by" the contracting party which, as noted above, appears to have been the Government.

This other contracting party, or the Government (if that is the correct assumption) is reported to have controlled the company which made the original loan and to have used that lending company as its agent to advance the funds to the appellant.

The actual details of any accounting or other transaction which took place between the Government and the original lending company are not related.

The majority judgment says: "Now what happened here is that (the Government) instead of paying to Company A an amount representing its (the Government's) share of the loss, applied the amount in question against the loan. This would be similar to the application of income after it had been received. In other words, the transaction is the same as if the money had been received by Company A as income and in turn had been applied in payment on its loan." And again in other words, a case of "heads I win, tails you lose" for the taxpayer.

Dissenting Judgment

Fortunately for an understanding of the facts, the dissenting judgment goes into the matter exhaustively and explicitly.

It is there said: "No evidence was offered at the hearing that (the Government) had actually paid the amount (of $450,000) to (its lending agency).—"Apparently it was left to the Board to assume that the payment from (the Government) to (the lending agency) had been made. Presuming, however, that the payment was regularly made and that (the Government) became subrogated to the rights and privileges in connection with the loans or advances which (the lending agency) previously enjoyed, this no doubt explains why the subsequent agreement was entered into between (the Government) and the appellant company.

A considerable amount of the judgment is taken up with the recurring reference in the documents to the Government "assuming" the appellant's losses.

The majority chose to interpret this as equivalent to a subsidy or payment on income account.

The dissenting judgment emphasizes however that what was actually done was to relieve the appellant from repayment of a capital advance and came to the conclusion that no form of words, which were themselves ambiguous, could change this fact.

If that is the correct interpretation to be given to the transaction, then the law is clear enough that cancellation of a liability is not income, at least where the liability was a capital one.

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CANADA'S LARGEST MANUFACTURER OF FINE FUR FELTS

CHARLES W. LESLIE

has been elected president, A. C. Leslie & Co.

POWER CORP. OF CANADA reports another 544 common shares issued on conversion of $17,000 principal amount of debentures, making 452,125 common shares now outstanding.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MONTREAL LOCOMOTIVE WORKS LTD. net profit of $735,831 for 1952 was 42.7% higher than 1951 net of $515,726.

Shipments of diesel-electric locomotives to Canadian railways were made on schedule, and 25 locomotives for Brazil were also delivered in 1952, reports Chairman Duncan W. Fraser. Deliveries of diesel parts increased substantially.

Shipments of products other than locomotives constituted about 38% of total volume, compared with 20% in 1951. This resulted from company's policy of diversification to achieve greater stability of earnings, says Mr. Fraser.

Last year's volume of shipments of heat transfer equipment to the petroleum and chemical industries and steel mill equipment, together with miscellaneous heavy products, was almost triple the 1951 output.

"Our current backlog of orders, $4,300,000, for these diversified lines assures a continuing high volume of shipments during 1953," says Mr. Fraser.

Company's total backlog currently stands at $16.5 millions, compared with $18.5 millions a year ago. Orders for 79 diesel locomotives are included in the total.

Manufacturing operations in 1952 were at the highest level since company began converting to diesel locomotive production in 1949, says the chairman.

Company expects continuing expansion in Canada's petroleum and chemical industries, with resultant demand for heat exchangers and pressure vessels. Mr. Fraser also anticipated further expansion of Canadian steel industry, to which company is an important supplier of steel mill equipment.

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net earnings	$1,778,687	$1,207,741
Less: Deprec.	269,079	269,521
Int. on note	103,777	7,494
Income taxes	670,000	415,000
Net profit	735,831	515,726
Less: Com. divds.	560,000	560,000
Surplus for year	175,831	*44,274

*Deficit.

Earnings per Share and Dividend Record:		
Common	$1.05	$0.74
Paid	0.80	0.80

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
	$	$
Cash & Dom. bds.	8,291,615	10,524,252
Accts., etc., rec.	5,598,691	4,016,333
Short-term notes	......	750,000
Inventories	5,317,267	3,176,672
Total curr. assets	19,207,573	18,467,257
Misc. assets	139,137	141,322
Fixed assets*	2,801,814	2,997,100
Total assets	22,148,524	21,605,679
Accts., etc., pay.	3,169,366	2,811,887
Adv. on contr.	936,691	1,006,658
Note pay.	3,395,000	3,552,500
Inc. tax.	608,688	372,186
Total curr. liabs.	8,110,245	7,743,231
Capital stock	3,000,000	3,000,000
Earned surplus	11,038,279	10,862,448
*After depr. of	4,876,329	4,692,894
Working capital	11,097,328	10,724,026

CITY OF WINNIPEG, Man., has sold $1.6 million 4¼% debentures, dated Jan. 2, 1953, and maturing Jan. 2, 1954-63, to a syndicate headed by Dominion Securities Corp. and including A. E. Ames & Co. and Bank of Montreal, at 100.286, representing cost of 4.19%. Proceeds for local improvements.

Conservation is everybody's business

Look at it this way: Without topsoil, without water, we'd all starve.

Anything we can do to conserve these resources is a benefit to all. Any steps we fail to take are crimes against ourselves and generations yet unborn.

And there is much all of us can do.

We who live in cities can avoid waste of water and electric power. When we vacation or travel through the countryside, we can be more careful with matches and cigarette stubs. We can give support to lawmakers who are working on behalf of conservation.

We who live in the country can participate in conservation programs. We can take better care of our forests, woodlots, hillside farms. We can take steps to prevent sheet erosion and wind erosion. We can replant our forests and reclaim the land despoiled by man and nature.

Conservation is important to manufacturers of farm equipment, too. Wherever possible Harry Ferguson, Inc., and its Dealers co-operate locally with those who are promoting conservation among farmers. Ferguson Dealers join in demonstrations, lend generously of their time and equipment.

Interestingly enough, Ferguson equipment has been designed for the type of farming advocated by conservation experts. A single example is the Ferguson Tractor itself. The four-wheel stability and low center of gravity of a Ferguson make it ideal for contour tillage where the slope is too steep for other types of equipment.

Farmers everywhere are learning that Ferguson equipment meets more of their needs more of the time than any other. Not only because it fits in with conservation practices, but because it's *just right* for farming!

Today, more than ever, the Ferguson Tractor is a better buy for farmers . . . a better, safer investment for those who sell and finance farm machinery. Any Ferguson Dealer or Distributor will show you why. Harry Ferguson, Inc., Detroit 32, Michigan.

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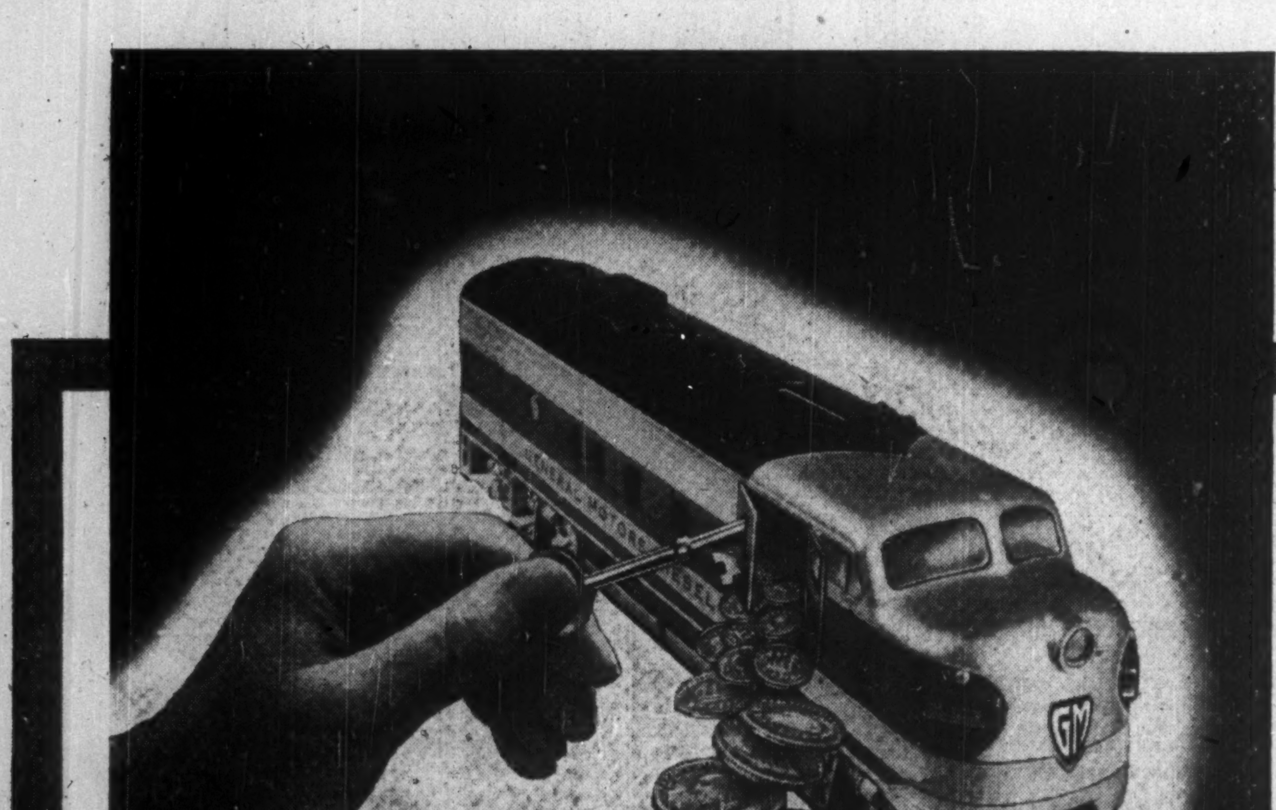
FERGUSON TRACTOR and 63 Ferguson System Implements

GENERAL MOTORS DIESEL LOCOMOTIVES

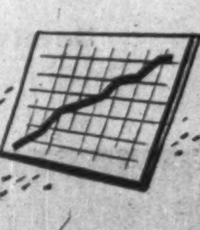
Pay for themselves OUT OF SAVINGS



It's a fact—General Motors Diesel Locomotives working for Canadian railroads and industry pay for themselves out of operating savings in five years or less. They have demonstrated their ability to work 'round the clock... with as little as 5% of their time out for servicing. They have accumulated more than 14,000 miles per month in freight service and far more in high speed passenger service. These and other economies clearly prove that General Motors Diesels are an INVESTMENT... not an expenditure!

FUEL SAVINGS

A General Motors Diesel locomotive has more than THREE TIMES THE THERMAL EFFICIENCY of a modern steam locomotive. It saves money with every turn of its wheels.



MAINTENANCE SAVINGS

G. M. locomotives cost only half as much to maintain as steam locomotives! G.M.'s complete parts inventory, "Unit Exchange" plan and "Factory Rebuild" methods assure maximum savings.

OPERATING ECONOMIES

Compared with steam power, General Motors Locomotives are more efficient. They can pull longer trains at higher speeds. They can do twice as much work at half the cost!

LONGER PARTS LIFE

Improvements in materials, design and manufacture—the result of constant General Motors research—have achieved phenomenal parts life; e.g., G. M. pistons, without replacement, now travel a million locomotive miles.

GENERAL MOTORS LOCOMOTIVES

GENERAL MOTORS DIESEL LIMITED

GENERAL OFFICES AND PLANT: LONDON, ONTARIO

Sales Headquarters: INTERNATIONAL AVIATION BUILDING, MONTREAL, QUEBEC

What's Best For U. K. Investor Here?

The Question: British capital is now freer to enter Canada. Where would you like to see it invested?

Opportunities for new investment in Canada today are as wide as they are inviting, replies to this week's Question by The Post would indicate. Underlying, there's an undercurrent of warm welcome for British capital to get in on the boom in stronger fashion.

Most emphasis by respondents is placed on natural resources development—mentioned are iron ore, oil, natural gas, the Seaway—but secondary industry also comes in for special attention: petrochemicals; component parts for existing industry.

Some see export of British skills as an important partner to freer export of capital to this country. All respondents give dollar-earning capacity of investment here equal place with development for Canada.

D. P. CRUICKSHANK, Chairman, Canadian Section, International Chamber of Commerce, President, Steel Equipment Ltd., Ottawa.

With the fast-growing economy in Canada there should be ample opportunity for British investors to make profitable investments here. These investments should be made in companies interested in the development of our raw materials and natural resources. There should be special opportunities in connection with the development of the St. Lawrence Seaway.

It would be unfortunate for investments to go into companies manufacturing consumer goods as that market seems to be sufficiently well taken care of at present. Manufacturers in Canada, of course, are interested and wondering how soon import restrictions will be lifted in the British Isles.

* * *

J. S. DUNCAN, Chairman and President, Massey-Harris Co., Chairman, Dollar Sterling Trade Advisory Council.

Rebuilding of British investments in Canada which of necessity were reduced so drastically during World War II would provide a most desirable means of improving the U.K.'s dollar earning position. As to the best field for investment it seems to me that the production of component parts for Canadian industry would offer an excellent opportunity for British capital. At present, we are largely dependent upon imports of component parts and the position of Canadian industry would be greatly improved if we had domestic supplies at competitive prices.

Moreover, in setting up plants here U. K. manufacturers would have an opportunity to develop at the same time a more effective sales outlet for exports for their finished goods. Capital invested in this field would yield in many cases a two-fold source of dollars for U. K. companies — immediately through the sale of primary parts and finished goods to their Canadian plants and over the long term through the remittance of earnings.

* * *

SENATOR J. W. deB. FARRIS, Vancouver.

It should not be a question of personal preference but where in Canada will investments prove most profitable. The greater the success of the investment the greater the benefit to Canada as a whole. As a British Columbian I am naturally most conversant with the possibilities of this province. Wealth in water power and natural resources are only beginning to be known. I believe that no place offers greater opportunities to the investor seeking either sound investment or the gambler's chance.

* * *

ROBERT FENNELL, Senior Partner, Fennell, Porter & Davis, Barristers, Toronto.

In view of the urgency for dollar earners for the United Kingdom to provide funds particularly for purchases of Canadian agricultural products, it is important that presently available British capital be invested in maximum dollar-producing investments. First, branches or subsidiaries of U. K. companies manufacturing essential products not now made in Canada, second in dividend-paying securities of companies developing Canada's natural resources.

LT.-COL. J. R. GALE, Nesbitt, Thomson & Co., Montreal.

I would like to see British capital entering Canada used largely for the development and processing of our natural resources. Among other benefits, this would stimulate British emigration to Canada which is greatly to be desired as we have not been getting our proper quota of British immigrants in recent years.

* * *

C. E. GARNETT, President, Alberta Consolidated Gas Utilities Ltd., Edmonton.

Now that British capital can be exported for investment in Canada, it would appear that we should take time off to consider where that capital investment would prove profitable to the investor and develop Canada and thus be beneficial to both sides. Living in Alberta, I suggest the most advantageous investment would be firstly in the petrochemical industry, utilizing as raw material the petroleum and natural gas where it can be obtained at its cheapest price; and secondly, the research and development of our oil sands in the McMurray district where it is claimed oil, silica sand and many valuable metals can be extracted economically.

* * *

SENATOR F. W. GERSHAW, Medicine Hat.

There are irrigated areas in Alberta with fertile soil and a maximum amount of sunshine. These are frost free areas where fruits, vegetables, dairy and poultry products are being successfully produced. They are not in any remote regions but are close to roads, schools, churches, railways and marketing facilities.

If British investors would construct canning and quick-freezing plants, these food products could be preserved and made available all the year round for Canadians and for people in distant lands where food is in short supply.

Natural gas, with the many by-products which can be extracted, is also available in these prairie regions.

* * *

J. G. GODSOE, Vice-President, British American Oil Co., Toronto.

I would like to see renewed British investment in our national resources program. This is following tradition, for Britain in years gone by has shared in our development. I also like to see the British setting up their own manufacturing businesses here and am glad that U. K. treasury authorities are going to permit investment in both large and small operations. A renewal of the British stake in Canada should be good for both members of the Commonwealth. However, welcome as British capital is, the big part of investment in Canada must continue to be our own money.

* * *

J. S. McGLASHAN, General Manager, British Pacific Properties Ltd., Vancouver.

I am uncertain that this is the most propitious time for entry of British capital. However, when advisable, best results for Canada and Britain will be obtained by entry of their capital allied with their specialized scientific ability and their very highly qualified mechanical personnel, in other words, selected immigration of industries, money, knowledge and skill.

* * *

CARL O. NICKLE, M.P., Ottawa.

In an expanding economy like Canada's with huge scarcely tapped natural resources, opportunities for British capital investment are almost unlimited. The 770,000 square miles of Western Canada geologically favorable for oil and gas accumulation offer challenge to British risk capital to join Canadian and U. S. capital in expanded exploration that could make Canada one of the richest sources of these resources for the democratic world in peace and emergency, coupled with good prospect of financial returns commensurate with risks taken.

Similar opportunities lie in Canada's iron and other untapped mineral resources. Restoration of the once great British willingness to take risks to build empires replacing the tendency to seek safe investment after others have pioneered, will, I trust, come with freer flow of motherland capital to Canada.

* * *

H. A. SMITH, President, G. W. Robinson Co., Hamilton

I would, of course, like to see new capital invested anywhere in Canada and from a personal standpoint particularly in this part of Ontario, provided there would be a reasonable certainty of success in whatever department of trade and commerce such money would be used, not forgetting distribution or merchandising outlets if they wish to increase exports from Britain.

* * *

G. K. SHEILS, President, Canadian Manufacturers' Assn., Toronto.

As far as possible, for further processing of Canadian natural resources and in provinces which require industry to achieve a more balanced economy and increase effective employment of labor. Also in lines which will develop new Canadian skills and add to the diversification of industry.

* * *

R. A. SPENCER, College of Engineering, University of Saskatchewan, Saskatoon.

Indications are that little British capital is being invested in uranium deposits in Saskatchewan; also comparatively little in oil of the west. Many people would like to see British in these fields.

* * *

MORGAN REID, Assistant Vice-President, Retail, Simpsons-Sears Ltd., Toronto.

In the 19th Century British capital was a vital element in the development of a great transportation system that helped to make a united Canada a reality. Today, British capital and engineering "know-how" can assist in our resources development. There are also many opportunities for British investment in the production in Canada of some consumer goods now imported, where quick delivery is an important factor in the placing of an order by a Canadian retailer.

COMPANY REPORTS

CANADIAN GENERAL ELECTRIC CO. net profit of $7,122,952 for 1952 was 9.2% less than 1951 net of $7,846,272.

Orders received during 1952 totaled $150,596,888, down 26.6% from 1951 total of $205,155,497. Sales billed were $154,438,207, an increase of 5.3% over previous year's $146,686,355.

Capital expenditures during the year amounted to $7,402,365, compared with $5,914,041 in 1951.

INCOME ACCOUNT

$	$	$
Years Ended Dec. 31:	1952	1951
Net sales	154,438,207	146,686,355
Net earnings	18,664,571	18,681,683
Less: Deprec.	4,241,619	4,335,411
Income taxes	7,300,000	6,500,000
Net profit	7,122,952	7,846,272
Less: Pref. divd.	70,060	72,586
Com. divd.	2,266,140	2,266,140
Surplus for year	4,786,752	5,507,546
Earnings per Share and Dividend Record:		
Pref: Earned	$257.84	▲$275.02
Paid	2.50	2.50
Common	37.35	41.16
Paid	8.00+4.00	8.00+4.00

▲Earnings include profit on realization of investment in subsidiary of $28.76 on preferred and $4.34 on common in 1951.

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash & Dom. bds.	$1,132,518	$790,066
Accts. receivable	20,058,988	19,535,811
Inventories	72,987,453	68,721,960
Less: Adv. pay. on contracts	38,117,937	23,607,315
Total curr. assets	56,061,022	65,460,522
Invests.	492,981	504,448
Misc. assets	3,242,127	3,022,902
Fixed assets*	26,605,458	23,628,415
Total assets	86,401,588	92,616,287
Bank o'draft	997,661	11,137,681
Notes pay.	500,000	5,037,941
Accts., tax., etc., pay.	21,912,200	18,262,560
Divds. pay.	1,150,330	1,150,962
Total curr. liab.	24,560,191	35,589,144
General reserve	6,000,000	6,000,000
Capital stock	10,823,500	10,868,750
Surplus	45,017,897	40,158,393
*After deprec.	30,977,995	28,886,916
Working capital	31,500,831	29,871,378

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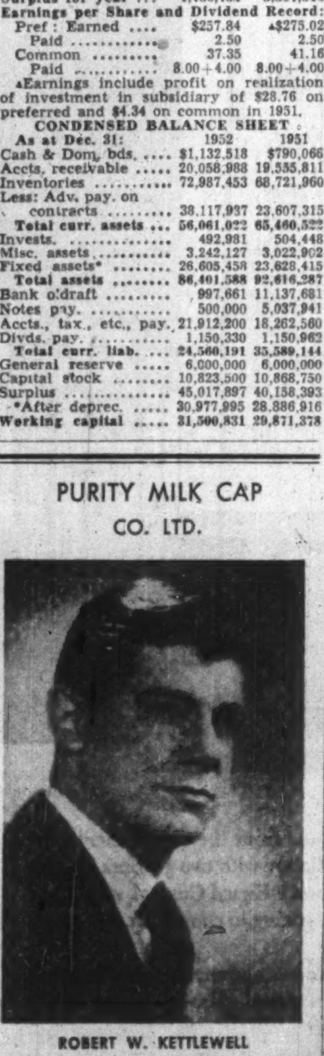
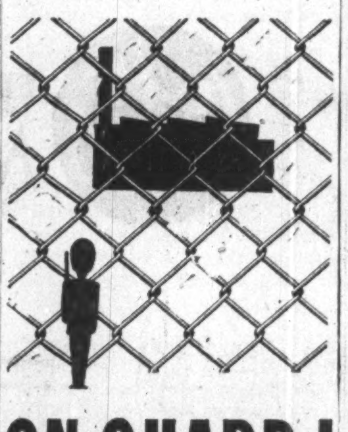


ROBERT W. KETTLEWELL
Recently appointed President of the Purity Milk Cap Co. Ltd. Mr. Kettlewell was formerly advertising Manager of General Foods Ltd.



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Frost Fence is on duty 'round the clock, every day and night in the year—a fireproof, unscalable, practically unbreakable wall of protection for your property. And maintenance costs are negligible.

Available in various heights and gauges to suit your specific requirements. See your Frost Fence dealer or nearest Frost Steel office for full data.

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FROST CHAIN LINK FENCE

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Mr. Paul Harris *and* Mr. Allen Aylsworth
have been admitted as general partners of this firm

Cochran, Murray & Hay
Members of the Toronto Stock Exchange
Dominion Bank Bldg., Toronto, Telephone Em. 3-9161
Hamilton Kitchener London

These Bonds having been sold, this advertisment appears as a matter of record only

New Issue

$8,000,000

Union Gas Company of Canada, Limited

4¾% First Mortgage and Collateral Trust Sinking Fund Bonds, Series A

Dated March 1, 1953 To mature March 1, 1968

Trustee: The Canada Permanent Trust Company

Price: 100 and accrued interest

A. E. Ames & Co. Limited

ALUMINIUM LIMITED

ALUMINIUM LIMITED
AND CONSOLIDATED SUBSIDIARIES

Condensed Financial Report
31st December 1952
in Canadian Dollars

ASSETS

	31st December 1952	31st December 1951
Current assets:		
Cash	$ 26,701,502	$ 25,658,845
Marketable securities	21,394,316	64,099,420
Receivables	45,776,251	35,997,048
Inventories of aluminium, materials and supplies	80,380,150	71,481,632
	174,252,219	197,236,945
Investments in subsidiaries and allied companies	9,544,411	8,598,283
Lands, plants, riparian rights, and facilities at cost	773,522,439	587,456,973
Less: Amount charged to operations	340,902,449	303,959,664
	432,619,990	283,497,309
Other assets	14,271,855	15,931,283
	$630,688,475	$505,263,820

LIABILITIES

	31st December 1952	31st December 1951
Current liabilities	$ 79,480,611	$ 69,291,164
Debt not maturing in one year	224,187,900	135,046,269
Debt contingent on volume of operations	93,692,500	75,928,750
Preferred shares of subsidiaries:		
Aluminum Company of Canada, Ltd. 4% Shares	12,981,400	13,231,100
Saguenay Power Company, Ltd. 4¼% Shares	3,996,700	4,174,700
Indian Aluminium Company, Ltd. 5% Shares	1,329,200	1,329,200
	18,307,300	18,735,000
Other liabilities	5,727,982	6,574,315
Capital Stock (8,186,578 shares outstanding) and Surplus (after 2-for-1 split in 1952)	209,292,182	199,688,322
	$630,688,475	$505,263,820

OTHER COMPARATIVE FIGURES

	1952	1951
Sales	$332,993,985	$283,978,879
Provision for Income Taxes — Canadian	$ 28,482,254	$ 30,942,460
— Foreign	6,775,764	5,153,535
	$ 35,258,018	$ 36,095,995
Capital cost allowances (depreciation and depletion)	$ 37,577,893	$ 27,580,624
Net profit for the year	$ 22,372,289	$ 28,760,876
Net profit per share	$2.73	$3.51*
Dividends paid, per share	$2.00 U.S.	$1.77½* U.S.
Capital expenditures on new plant facilities	$186 millions	$120 millions

*based on the number of shares outstanding in 1952.

Copies of the annual report may be obtained on request from:
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MAIL BOX 6090 MONTREAL, CANADA

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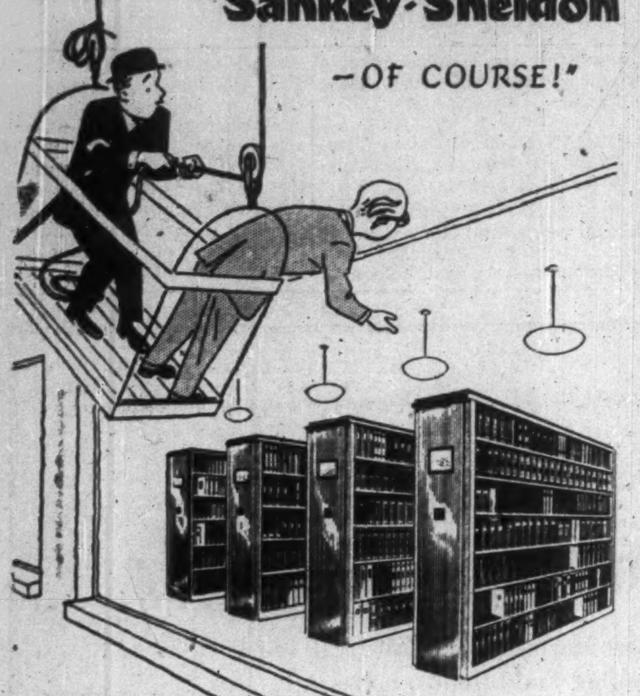

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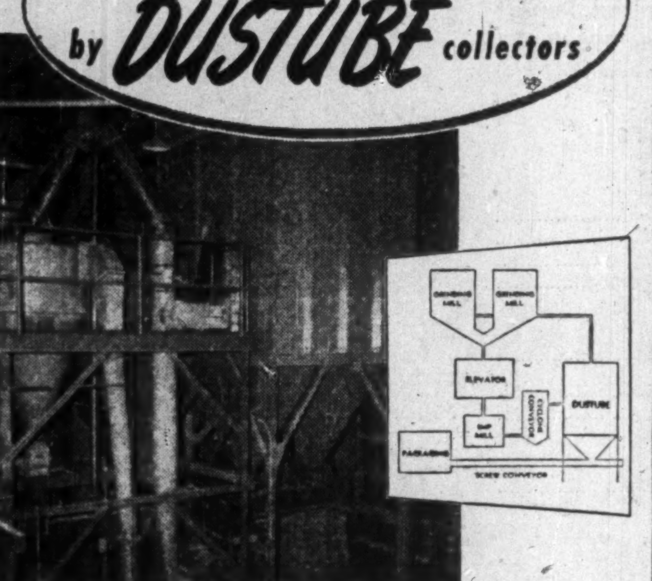

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The manufacture of lead oxide for storage battery plates at the Willard Storage Battery Company of Canada Limited, requires extensive dust control equipment. Recent process modifications, together with an expansion program, made it necessary for Willard to replace older collectors with a Dustube Collector.

The Dustube Collector was selected because of its very high efficiency. Even very fine lead oxide dust is collected with virtually 100% efficiency. Collected material is automatically discharged into a screw conveyor and delivered to the packaging station. The lead oxide is recovered in its dry natural state so it can be used without further processing, filtering or drying.

This is just one example from hundreds showing that Dustube Collectors remove dust more thoroughly at lower cost. It will do the same for you. Call Mr. Campbell today and ask him to analyze your dust problem. Ask too, for Catalog 372.

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106 Adelaide St. W., Toronto, Ontario

American WHEELABRATOR & EQUIPMENT CORP.
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dustube COLLECTORS

OFFICES IN PRINCIPAL CITIES

Defense Contracts

Here are defense contracts for $10,000 or more awarded to Canadian firms by the Department of Defense Production and Defense Construction (1951) Ltd. for the latter half of February. The list, totaling $7,953,309, does not include contracts classified for security reasons, or amendments to contracts.

Contractor — Commodity	Value
Alfred Knitting Ltd., Alfred, Ont.; stockings	$ 10,434
Allis-Chalmers, Rumely Ltd., Toronto; crawler tractor	11,002
Allis-Chalmers, Rumely Ltd., Toronto; crawler tractor	22,381
Alpha-Aracon Radio Co. Ltd., Toronto; telecommunication eqpt.	16,529
Area Equipment Co., Inc., Montreal; drilling machine	15,015
Aviquipo of Canada Ltd., Montreal; test equipment	19,650
Aviquipo of Canada Ltd., Montreal; test equipment	11,830
Lyle Blackwell Ltd., Ottawa; dry cleaning	10,000
Boosey and Hawkes (Canada) Ltd., Toronto; musical instrum'ts	23,914
Bristol Aeroplane Engines (Eastern) Ltd., Montreal; aircraft engine spares	12,672
Bristol Aeroplane Engines (Eastern) Ltd., Montreal; aircraft engine spares and tools	15,028
British American Oil Co. Ltd., Toronto; aviation turbine fuel	12,800
British American Oil Co. Ltd., Toronto; aviation turbine fuel	14,250
British American Oil Co. Ltd., Toronto; aviation turbine fuel	12,500
Canada Packers Ltd., Halifax; butter and eggs	32,726
Canada Packers Ltd., Toronto; meat	12,956
Canada Packers Ltd., Toronto; meat	15,712
Canada Packers Ltd., Toronto; meat and shortening	15,788
Canadian Aeronautical Radio, Dorval; transmitters	31,161
Canadian Arsenals Ltd., Ottawa; electronic equipment	36,586
Canadian Coachways Ltd., Edmonton; bus transportation	20,000
Canadian Cottons Ltd., Montreal; cotton denim cloth	32,572
Canadian Cottons Ltd., Montreal; cotton denim cloth	53,782
Canadian Cottons Ltd., Montreal; cotton drill cloth	121,638
Canadian Dressed Meats Ltd., Toronto; meat	14,926
Canadian Fairbanks-Morse Co. Ltd., Ottawa; milling machine and attachments	15,574
Canadian General Electric Co. Ltd., Ottawa; brake kits for generating plants	12,306
Canadian General Electric Co. Ltd., Ottawa; brake kits for generating plants	16,464
Canadian General-Tower Ltd., Galt; jumpers and trousers	21,500
Canadian Marconi Co., Montreal; signal generators	39,450
Canadian Oil Companies Ltd., Toronto; aviation gasoline	22,400
Canadian Pratt & Whitney, Longueuil; aircraft parts	51,688
Canbri Manufacturing Co. Ltd., Ajax; cotton poplin cloth	162,322
Capital Commercial Laundry, Ottawa; laundry services	10,000
Chesebrough Mfg. Co. Cons.; Montreal; petroleum gauze	14,564
Cossor (Canada) Ltd., Halifax; communication equipment	12,740
Geo. W. Crothers Ltd., Toronto; mobile diesel electric set	23,239
Crystal Glass & Plastics Ltd., Toronto; synthetic resin sheet	12,620
Dominion Coal Co. Ltd., Montreal; coal	42,120
Dominion Engineering Co. Ltd., Montreal; reconditioning of machine tools	15,097
Dominion Linseed Oil Co. Ltd., St. Johns; batteries	112,500
Dominion Rubber Co. Ltd., Kitchener; tires and tubes	46,215
Dominion Steel and Coal Corp. Ltd., Montreal; tail shafts for destroyers	72,508
Electric Fixtures & Portable Lamps Mfg., Montreal; lamps	11,559
Electric Reduction of Canada Ltd., Buckingham; filling of mortars and shells	505,885
Electrolux (Canada) Ltd., Montreal; casings for 60 mm. shell	100,518
Fiberglas Canada Ltd., Toronto; fiberglas insulation board	18,800
Field Aviation Co. Ltd., Oshawa; safety harness	11,337
Ford Motor Co. of Canada Ltd., Windsor; engine assemblies	22,377
Ford Motor Co. of Canada Ltd., Windsor; engine assemblies	33,327
Francis Hughes & Associates Inc., metal bin assemblies, racks	337,385
Genaitre Ltd., St. Catharines; sectionalizing turbine engines	20,900
General Motors Products of Canada Ltd., Oshawa; trucks	15,692
G. M. Gest Ltd., Montreal; installation of underground duct system	29,526
Godfrey Engineering Co. Ltd., Montreal; oxygen trailers	17,665
Goodyear Tire & Rubber Co. of Canada Ltd., Toronto; tires	19,405
Graham Bell Enamelling Ltd., Streetsville; cartridge storage cases	351,439
Greenfield Tap & Die Corp. of Canada Ltd., Galt; machine tools	12,588
Grover Mills Ltd., Montreal; jerseys	30,800
Halifax Shipyards Ltd., Dartmouth; docking & underwater work to ship	14,883
Halliday Bros. Ltd., Toronto; coal	51,540
Ideal Upholstering Co. Ltd., Montreal; furniture	114,610
Industrial Machinery Co. Ltd., Halifax; tractors	36,850
Imperial Oil Ltd., Ottawa; diesel fuel oil	13,535
Imperial Oil Ltd., Ottawa; aviation turbine fuel	27,300
Imperial Oil Ltd., Ottawa; aviation gasoline	47,525
Imperial Oil Ltd., Ottawa; aviation gasoline	103,200
Imperial Oil Ltd., Ottawa; aviation gasoline	33,900
Frank P. Lalonde Ltd., Dorval; floor waxing and polishing machines	18,582
J. W. Lawrence (Canada) Ltd., Montreal; aircraft spares	17,025
Le Page's Inc., Toronto; labels	14,585
Lewis Limited, Truro; caps	16,077
MacDonald Bros. Aircraft Ltd., Winnipeg; aircraft spares	100,000
Mawer Sales Ltd., Dundas; spot welder	17,045
Measurement Engineering Ltd., Arnprior; communication eqpt.	19,550
Minnesota Mining & Mfg. of Canada Ltd., London; masking tape	19,026
Monahan Supply Corp. Ltd., Toronto; aircraft inspection platforms	89,544
Murdock & Son Ltd., Toronto; demountable pallet boxes	49,435
Nordic Truck & Equipment Ltd., Weston; tractor trucks	37,004
Northern Electric Co. Ltd., Ottawa; cable	86,959
Northern Electric Co. Ltd., Ottawa; communication equipment	58,995
Office Specialty Mfg. Co. Ltd., Ottawa; filing cabinets	17,500
Railway & Power Engineering Corp., Montreal; aircraft spares	12,138
Rex Machine Tool Co. Ltd., Toronto; drills	14,950
Ross-Smith Co. Ltd., Montreal; fibreglas board	12,408
Rubberset Co. Ltd., Gravenhurst; shaving brushes	51,625
S. Rubin Ltd., Sherbrooke; hospital blazers	20,995
Rudel Machinery Co. Ltd., Montreal; honing machine and attachments	18,033
Sainthill-Levine & Co. Ltd., Toronto; cotton shirts	17,738
Shell Oil Co. of Canada Ltd., Toronto; gasoline	25,869
Shell Oil Co. of Canada Ltd., Toronto; gasoline	36,000
Sheridan Equipment Co. Ltd., Leaside; spares for cranes	25,482
Shiff & Co. Inc., Montreal; raincoats	96,824
Sicard Inc., Montreal; truck and snow-blower spares	18,394
Simmond Aerocessories of Canada Ltd., Montreal; fuel gauges	18,380
Spartan Air Services Ltd., Ottawa; topographical mapping	40,975
Spartan Air Services Ltd., Ottawa; repair, reconditioning and modification of helicopters	22,000
Sperry Gyroscope Co. of Canada Ltd., Montreal; gyro compass modification kits	379,561
Standard Machine & Tool Co. Ltd., Windsor; drilling machines and attachments	18,404
Stark Electronic Instruments Ltd., Ajax; electronic equipment	20,243
Stauffer-Dobbie Ltd., Galt; bath towels	59,118
Swift Canadian Co. Ltd., Moncton; meat	41,532
Swift Canadian Co. Ltd., St. Boniface; meat	15,174
Swift Canadian Co. Ltd., Toronto; meat	11,041
Tarbox Bros. Ltd., Toronto; mop cloths	11,887
Transocean Machine Co. Inc., Montreal; universal grinders	34,967
J. Spencer Turner Co. Ltd., Hamilton; cotton duck cloth	53,430
Upton Bradeen and James Ltd., Windsor; lathe and attachments	14,744
Wainbee Tools Ltd., Montreal; socket wrenches	13,608
Western Oil Co. Ltd., Moose Jaw; gasoline	11,880
Williams & Wilson Ltd., Toronto; machine tools	17,106
Wilsil Ltd., Montreal; meat	12,270
Contracts Awarded by Defense Construction (1951) Ltd.	
W. C. Brennan Contracting Ltd., Hamilton; explosive storage buildings	103,904
General Construction Co. (Alta.) Ltd., Lethbridge; repair of road	121,710
Harbour Construction Co. Ltd., Dartmouth; torpedo building	509,630
Kenney Construction Co. Ltd., Yarmouth; standard control tower	89,350
Mardo Construction Co. Ltd., Halifax; transmitter building	141,307
H. J. McFarland Construction Co. Ltd., Picton; administration building	466,778
H. J. McFarland Construction Co. Ltd., Picton; central heating plant	149,900
Northland Construction Co. Ltd., Val D'Or; supply, erection and finishing buildings	843,310
Standard Paving Maritime Ltd., Halifax; explosive storage buildings	127,561
W. H. Yates Construction Co. Ltd., Hamilton; stores and services buildings	412,032

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted

HAMILTON BRIDGE CO., Hamilton, net profit of $710,215 for 1952 was 107.3% higher than 1951 net of $342,642. The year's results reflect completion of longterm contracts begun prior to 1952.

"Production during the year was on a comparable basis with the previous year, and in excess of the orders booked during the year, so that we are going into 1953 with a much reduced backlog," says Chairman G. W. Wigle.

Earnings of Sawyer-Massey Ltd., a subsidiary, were 6% higher than previous year, before taxes, and its backlog of orders is substantial, he adds.

Rheem Canada Ltd. earnings before taxes were up 21%. Materials are expected to continue in good supply, allowing company to participate fully in any increased demand.

Canadian Conveyors Ltd. showed continued growth throughout the year, reports Mr. Wigle. Progress is expected to continue in 1953.

When it became evident that no improvement could be expected in operations of Compressed Gas Cylinders of Canada Ltd., directors decided to abandon the project and place company in voluntary liquidation. Loss sustained is reflected in surplus account.

INCOME ACCOUNT

Years Ended:	Dec. 27 1952	Dec. 29 1951
Net earnings	$1,597,080	$724,796
Less: Deprec.	149,865	75,154
Income tax res.	737,000	307,000
Net profit	710,215	342,642
Less: Divds	368,625	245,750
Surplus for year	341,590	96,892
Earnings per Share and Dividend Record:		
Common	$2.89	$1.39
Paid	0.50+1.00	0.50+0.50

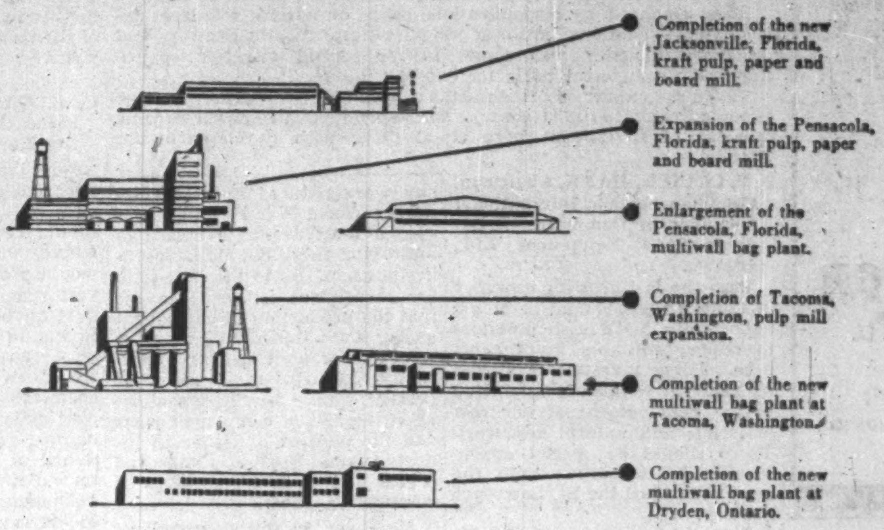
CONDENSED BALANCE SHEET

As at:	Dec. 27 1952	Dec. 29 1951
Cash & Dom. bds.	$2,024,296	$1,200,434
Accts., etc., rec.	1,577,301	1,468,413
Inventories	796,641	1,087,164
Total curr. assets	4,398,238	3,756,011
Misc. assets	†7,011	†11,682
Invest. in subs.	302,644	805,117
Fixed assets*	1,022,372	790,882
Total assets	5,730,263	5,363,692
Total curr. liab.	811,925	686,441
Conting. res.	150,000	82,582
Capital stock	2,439,500	2,439,500
Earned surplus	2,328,840	2,155,169
*After depr. of	1,434,634	1,293,558
†Included in curr. assets in co's report.		
Working capital	3,586,313	3,069,570

ST. REGIS REPORTS FOR 1952

THE YEAR 1952 saw the virtual completion of an 8-year expansion and improvement program. For this program St. Regis Paper Company expended $134,333,316.

At the end of the year, the following major projects were substantially completed and in operation:



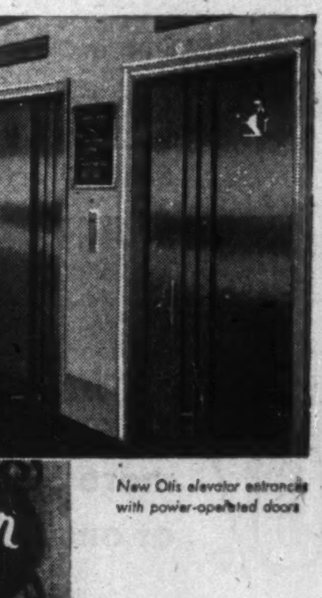
ST. REGIS PAPER COMPANY paid dividends of $1.00 per share of common stock in 1952, as compared with 80¢ in 1951 and 70¢ in 1950. Copy of complete Annual Report available on request.

SUMMARY OF CONSOLIDATED INCOME (For the years ended December 31, 1952 and 1951)	1952	1951
Net Sales	$182,712,239	$195,955,617
Cost of Sales and Expenses	158,165,799	159,845,270
Operating Income	24,546,440	36,110,347
Income Credits	2,561,466	3,757,159
Gross Income	27,107,906	39,867,506
Income Charges	2,867,531	1,126,663
Profit Before Taxes	24,240,375	38,740,843
Provision for Federal and Foreign Taxes	11,538,398	21,944,809
Net Income	12,701,977	16,796,034
Dividends Paid		
Preferred Stock	$ 693,308	$ 708,193
Common Stock	5,170,714	4,136,531
Net Income Per Share of Common Stock	2.32	3.11

ST. REGIS PAPER COMPANY
230 Park Avenue New York 17, N.Y.
In Canada: St. Regis Paper Company (Canada) Limited, Montreal

Products include a wide range of printing, publication and converting papers—bleached and unbleached kraft paper and board—bleached sulphate pulp—multiwall bags and packers—industrial and decorative laminated plastics

Otis ELEVATOR Modernization



New Otis elevator entrances with power-operated doors

Ritz-Carlton Hotel, Montreal, P.Q.

to uphold a tradition

"We have constantly endeavoured," says Mr. John G. Contat, General Manager of the Ritz-Carlton Hotel, Montreal, "to have our current appointments and services carry on the gracious living of the Ritz-Carlton tradition while meeting the needs of an ever-changing world. Further evidence of this is our elevator modernization by Otis."

Far better service has resulted from the replacement of a 40-year old hydraulic installation with two gearless electric passenger elevators. Operation is Signal Control, with highest call return and two-car spacing to coordinate car travel. Doors are power-operated.

Esthetically, modern bronze entrances, with stainless steel ornamentation, have replaced glass-windowed doors in the lobby. On upper floors, steel entrances are finished in baked enamel with emblem ornamentation and contrasting striping. The new elevators are of fully enclosed modern design.

Any of our 21 offices across Canada will be glad to discuss modernization. Otis Elevator Company Limited, Head Offices and Works: Hamilton, Ontario.

B E T T E R E L E V A T O R I N G I S T H E B U S I N E S S O F O T I S

Canadian Pacific Railway Company

SEVENTY-SECOND ANNUAL REPORT

OF THE DIRECTORS

To The Shareholders (ABRIDGED)

The volume of transportation service provided by your Company in 1952 was in excess of that of any previous year. The record grain harvest in Western Canada, together with a continued high level of activity in industry and in the development of natural resources, resulted in heavy demands upon your railway facilities.

Notwithstanding a new peak in freight traffic and gross earnings, railway net earnings were equivalent to only 6.3 cents per dollar of gross, the same as in 1951. The average revenue received by your railway for its principal service, the carriage of freight, was 1.30 cents per ton mile and was less than in 1950 and 1951. On the other hand, both labour and material costs were substantially higher.

As a result of the large grain crop and a large carry-over from the previous year, the movement of grain and grain products constituted more than 40% of total freight traffic. Since rates on the greater part of the grain moving within Western Canada are still at a level established in 1899, the brunt of increases in freight rates towards meeting higher railway costs has had to be borne by the remainder of the traffic. Railway wage rates and material prices have doubled since 1939, while the average increase in freight rates in terms of all traffic has been a half only. This disparity, although mitigated to some extent by increased efficiency in transportation, has markedly affected the net earnings of your railway.

During the year, $60 million was spent on improvements and additions to your railway properties, bringing the total expended during the past three years up to $180 million. It is estimated that capital outlays of $475 million will be required during the next five years to replace worn-out facilities and to continue the programme of improvements and additions that are necessary to keep pace with the expanding economy. It is essential that investors should have confidence in the future of your railway. The return of 2½% earned on railway investment in 1952, and the low returns in each of the postwar years, do little to create such confidence.

In order to ensure a sound basis for financing new capital requirements and a reasonable return to shareholders on their investment, the Board of Transport Commissioners has been requested to establish the net investment in your railway enterprise as a rate base and to fix as fair a rate of return of not less than 6½% on such base.

Lower dividends declared by The Consolidated Mining and Smelting Company of Canada, Limited, and a decrease in net earnings from ocean steamship operations, resulted in a decline in Other Income of $6.7 million from the peak of 1951.

The Income and Profit and Loss Accounts of your Company show the following results for the year ended December 31, 1952:

INCOME ACCOUNT

Gross Earnings			$457,808,969
Working Expenses			428,878,189
Net Earnings			$ 28,930,780
Other Income			22,651,775
			$ 51,582,555
Fixed Charges			12,504,010
Net Income			$ 39,078,545
Dividends—Preference Stock:			
2% paid August 1, 1952	$ 1,556,832		
2% payable February 2, 1953	1,545,550		
		$ 3,108,382	
Dividends—Ordinary Stock:			
3% paid August 1, 1952	$10,313,703		
3% payable February 27, 1953	10,350,761		
		20,664,464	
			23,766,846
Balance transferred to Profit and Loss Account			$ 15,311,699

PROFIT AND LOSS ACCOUNT

Profit and Loss Balance December 31, 1951		$252,947,332
Balance of Income Account for the year ended December 31, 1952	$15,311,699	
Portion of steamship insurance recoveries representing excess over net book value, S.S. Princess Kathleen, and compensation for increased cost of tonnage replacement	2,225,088	
Excess of considerations received for sales of properties over book values	305,415	
Miscellaneous Net Debit	*333,088*	
		17,509,114
Profit and Loss Balance December 31, 1952, as per Balance Sheet		$270,456,446

Railway Operations

Increasing for the sixth successive year, railway gross earnings amounted to $457.8 million and exceeded the previous high of 1951 by $28.9 million. Freight earnings, which provided more than four-fifths of gross earnings, were up $25.7 million.

The volume of freight traffic rose by 8% in terms of ton miles, and was greater than in any previous year. There were decreases in the tonnage of many manufactured commodities, and total tonnage would have been below the 1951 level but for the substantial increase in grain handlings.

Passenger earnings increased $1.2 million. While there was a decrease in the number of passengers carried, a higher proportion of long haul traffic resulted in an increase in total revenue passenger miles.

Gross express earnings were up $4.4 million. About $2 million of this increase was due to higher rates. Net revenues, which are carried to railway earnings as compensation for the haulage of express traffic, increased $1.5 million.

Working expenses, at $428.9 million, were up $26.8 million. The cost of changes in working conditions and wage rates for the year amounted to $19 million. This cost included the impact for a full year of the forty-hour week granted to non-operating employees effective June 1951 and provision for the retroactive application to various dates of increases granted to certain operating employees early in 1953.

Maintenance expenses increased $10 million. Expenditures were credited with the balance of $5 million remaining in the Maintenance Fund. Prices of ties, rails and certain other materials increased substantially over 1951.

The track maintenance programme included the laying of 567 miles of new rail, all of which was 100 lbs. or over, and 531 miles of relay rail of various weights; the installation of 2.8 million ties, of which 96% were treated; and the application of ballast to 581 miles of line, including 180 miles of rock ballast. Automatic block signal systems were installed on 135 miles of track.

The equipment repair programme covered complete overhauls of 708 steam locomotives, periodic repair of 107 diesel-electric units, and the general repair of 37,948 freight and 1,088 passenger cars. The utilization of equipment continued at a high level throughout the year.

Transportation expenses were up $11.6 million. Operating efficiency showed a marked improvement. The average freight train load was up from 1,700 to 1,748 tons, with an increase in freight train speed from 16.6 to 17.4 miles per hour, resulting in an increase of 8% in gross ton miles per freight train hour. The improvement, while in part attributable to the greater proportion of long haul and heavier commodities handled, reflects the increasing benefits resulting from the greater use of diesel power, automatic block signalling systems and other technological advances.

Railway tax accruals, at $20.4 million, were up $1 million. There was an increase in income taxes arising mainly from the introduction of the 2% Old Age Security Tax and the new Tax Rental Agreement between the Canadian Government and the Province of Ontario. Taxes on railway income totalled $13 million.

Net earnings from railway operations were $28.9 million compared with $26.8 million for 1951, and $38.0 million for 1950. The ratio of net to gross earnings, at 6.3%, was less than one-half of the average for the previous twenty-five years.

Other Income

Other Income, after income taxes of $5.3 million, amounted to $22.7 million, and was down $6.7 million from 1951.

Net earnings from ocean and coastal steamships decreased $3.9 million, due chiefly to a decrease in the volume of freight carried by your ocean steamships and lower cargo rates on the North Atlantic.

Net earnings of hotels were up $534,000. Room rates were increased and occupancy was higher.

Net earnings from communication services were little changed. Gross earnings benefited from increases in telegraph rates and leased private wire business, but expenses were adversely affected by higher wage rates.

Dividend income fell $4.6 million as a result of a decrease in dividends declared by The Consolidated Mining and Smelting Company of Canada, Limited. Dividends declared on the stock of that Company were at the rate of $1.65 per share out of earnings of $2.00 per share as compared with dividends of $2.20 per share out of earnings of $3.10 per share in 1951.

Net income from interest, separately operated properties and miscellaneous sources increased $690,000. A credit of $900,000 compared with $163,000 last year, was included with respect to Canadian Australasian Line Limited. These credits have offset in part provisions made in prior years in respect of deficits of that Company. The credit in 1952 covers the period July 1, 1951, to December 31, 1952, and includes an item of $546,000 resulting from closing out the replacement reserve set aside at the time of the loss of the "Niagara" in 1940.

Fixed Charges

Fixed charges amounted to $12.5 million, a reduction of $345,000.

The cost of interest and rental charges payable in sterling and United States currency was lower as a result of appreciation in the value of the Canadian dollar. Conversion of Convertible Collateral Trust Bonds into Ordinary Capital Stock accounted for a further decrease. Increases arose from the inclusion of interest for a full year on the Convertible Fifteen Year 3½% Collateral Trust Bonds dated October 1, 1951, and from the issue of Convertible Seventeen Year 4% Collateral Trust Bonds dated December 1, 1952.

Net Income and Dividends

Net income after fixed charges was $39.1 million, a decrease of $4.2 million from 1951 and $8.8 million from 1950. After provision for dividends of 4% on Preference Stock, earnings available for dividends on Ordinary Stock and for reinvestment amounted to $36.0 million. This was equal to $2.61 per share on 13,801,015 shares of Ordinary Stock outstanding at the year-end, compared with $2.98 on 13,400,000 shares last year. Dividends of $1.50 per share were declared on Ordinary Stock.

Land Accounts

Cash received on land account totalled $8.4 million, while disbursements, including income taxes, were $2.6 million.

Sales of land amounted to $2.9 million, which included 23,945 acres of farm land sold at an average price of $7.40 per acre. Deferred payments on lands and townsites were reduced by $860,000 to $5.8 million.

Receipts from petroleum rents, royalties and reservation fees amounted to $3.6 million, an increase of $1.4 million. More than one-third of the increase resulted from an agreement reached with a major oil company, whereby it agreed to take under lease, at an annual rental of $1.00 per acre, effective January 2, all of the acreage it formerly held in Alberta under reservation at a nominal fee. Oil production, subject to royalties, amounted to 6.3 million barrels, as compared with 3.7 million barrels in 1951. The location of wells at the end of 1952 and 1951 was as follows:

Field	1952	1951
Leduc	122	67
Lloydminster	91	62
Redwater	36	36
Armena — Camrose	30	4
Wizard Lake—Bonnie Glen Pigeon Lake	20	2
Various other areas	151	108
Total	450	279

In an action brought in Alberta against your Company and Imperial Oil Limited as lessee involving some 160 acres in respect of which petroleum rights are held under a reservation of "all coal, petroleum and valuable stone", the plaintiff Michael Borys claimed ownership of the "natural gas" as not being included under the reservation of "petroleum". Appeals were taken by all parties to the Judicial Committee of the Privy Council which affirmed the judgment of the Supreme Court of Alberta (Appellate Division) and dismissed the appeals. That Court held that while petroleum and natural gas are different substances, gas in solution in the liquid in the ground but not the so-called free gas in the gas cap, is the property of your Company and its lessee. The Court also held that although the natural gas in the gas cap belonged to the plaintiff, your Company and Imperial Oil Limited are entitled to extract the petroleum, provided they do so in a reasonable manner, even if there is interference with or wastage of gas belonging to the plaintiff. This decision will affect about one-eighth of your petroleum rights.

Another action affecting the title to some of your petroleum rights is one brought by Anton Turta, in 1950, against your Company and Imperial Oil Limited as lessee, claiming title to the petroleum underlying 160 acres of land in Alberta. The land in question was transferred in 1908 to a predecessor of the plaintiff, reserving "all coal and petroleum". By an error of the Registrar of Titles, a certificate of title was issued omitting this reservation. The error was discovered and corrected in 1943. The plaintiff succeeded at the trial by a judgment dated May 20, 1952. An appeal was taken to the Appellate Division, was argued in January, 1953, and judgment was reserved.

Balance Sheet

Total assets at the end of the year amounted to $1,918 million, an increase of $57 million.

Property investment increased $44.3 million. The capital expenditure for rolling stock was $48.2 million, of which $29.9 million was for freight train cars, $4.9 million for passenger train cars and $12.1 million for diesel-electric locomotives. Investment in steamships was down $4.1 million following the retirement of the "Empress of Australia" and the "Princess Kathleen".

The Canadian Australasian Line Limited reduced its capitalization and paid your Company $730,000 on surrender of 7,300 shares. Your holdings, which are carried in Miscellaneous Investments, were accordingly reduced to 17,033 shares.

Working capital was $116.9 million, an increase of $13.1 million. Current assets were equal to $2.37 per dollar of current liabilities as compared with $2.28 in 1951.

Finance

Serial equipment obligations amounting to $11.4 million matured and were discharged.

Convertible Seventeen Year 4% Collateral Trust Bonds dated December 1, were issued and sold in the principal amount of $35 million, secured by pledge of $42 million principal amount of Consolidated Debenture Stock. These bonds are callable on or after December 1, 1953, at 103.50% up to and including December 1, 1955: thereafter up to and including December 1, 1967, at percentages reducing by one-half of one per cent each two years; and thereafter at 100%; plus accrued interest in each case. The holders have the right at any time commencing June 1, 1953, and up to and including June 1, 1960, to convert their bonds into Ordinary Capital Stock in the ratio of thirty (30) shares of the par value of $25 each to each $1,000 principal amount of the bonds.

During the year $9.8 million Convertible Twenty Year 3⅛% Collateral Trust Bonds and $275,000 Convertible Fifteen Year 3½% Collateral Trust Bonds were converted into 401,015 shares of Ordinary Capital Stock.

These transactions resulted in a net increase of $13.5 million in funded debt, an increase of $29.7 million in the amount of Consolidated Debenture Stock pledged as collateral, and an increase of slightly more than $10 million in the amount of Ordinary Capital Stock outstanding in the hands of the public.

Air Lines

Your Air Lines had a net profit of $364,000, as compared with $1,084,000 in 1951 and $203,000 in 1950.

Revenues were higher, although revenue derived from Korean airlift charter flights was less. Expenses increased as a result of higher wage rates and material prices, and included costs incurred for development work and the familiarization of crews with the new types of aircraft which are to go into service in 1953.

The expansion of operations in Canada resulted in an increase of 8% in aircraft miles. To meet demands arising out of the quickening development of natural resources in British Columbia and the Yukon, additional direct services were operated out of Vancouver to Port Hardy, to Whitehorse and to Prince Rupert. The latter route was extended to Terrace, B.C., in order to serve the aluminum development at Kitimat. The Montreal-Val d'Or-Rouyn route was extended to Toronto via Earlton.

Application has been made to the Air Transport Board for a licence to operate a scheduled commercial air cargo service from Montreal to Vancouver, via Toronto, The Pas and Edmonton. Plans are being made for an extension of the trans-Pacific services to provide a through route between the Orient, Mexico and South America.

Rates

On January 25, the Board of Transport Commissioners authorized Canadian railways to make a general increase of 17% in freight rates, with certain exceptions, in lieu of a 12% interim increase authorized July 4, 1951. This increase became effective February 11.

An application was made on July 14, and amended September 13, for an immediate general increase of 8% in freight rates pending hearings on the balance of the application which asked the Board to establish as fair for your Company a return of 6½% on the net investment in its railway property, and for a further general increase of 9% in freight rates calculated to provide a return, as nearly as may be, of 5% on such net investment. The immediate increase of 8% was rejected by the Board. Hearings on the other phases of the application began on November 10 and concluded on February 5, 1953. These hearings included a renewal of the request for an immediate increase reduced from 8% to 7% based on actual results for 1952. Judgment was reserved.

To meet the cost of increases in salaries and wages for non-operating employees, the Board, acting on a separate application dated November 28, authorized a general increase of 9% in freight rates, effective January 1, 1953. By the order authorizing this increase, the Board cancelled the expiration date to which the prior increase of 17% was subject.

An increase of approximately 28% in rates on grain and grain products moving within Western Canada for domestic consumption, but not including grain and grain products moving at the so-called Crowsnest Pass rates, or rates related thereto, was granted by the Board effective November 10.

Rates on international, overhead and certain import and export traffic, which are related to and depend upon the level of rates in the United States, were increased on May 2 as a result of an increase granted United States railroads, and made applicable in Canada by authority of the Board of Transport Commissioners. This increase averaged approximately 6.8%.

As a result of amendments to the Railway Act, which arose from the Report of the Royal Commission on Transportation, the Board of Transport Commissioners ordered that trans-continental rates plus one-third be established as maxima in territory defined as "intermediate territory". Reductions in rates to implement the order were made on January 15. The railways were also ordered to reduce, effective May 1, freight rates on certain traffic moving over the "rail links" between Eastern and Western Canada so as to subsidize shippers to the extent of $7 million per year, the full subsidy allowed under the statute passed in 1951. The difference between normal and reduced rates on this traffic is being paid to the railways by the Government of Canada.

Railway mail rates were increased 17% effective March 1, in lieu of an increase of 12% effective August 1, 1951. Percentage-wise, these increases were equal to the general increases authorized for freight rates.

Rates on international telegraph traffic, between Canada and the United States, were increased by approximately 18% on November 1.

Increases were made in certain passenger train fares, trans-continental competitive commodity rates, Ontario-Quebec "pick-up and delivery" competitive rates, and in certain express rates. Three important agreed charge contracts became effective covering petroleum products, lubricating oils and greases.

In December, as part of its programme for the equalization of freight rates, the Board of Transport Commissioners ordered the railways to publish and file tariffs to give effect, as from January 1, 1954, to an equalized uniform scale of mileage class rates. The Board at the same time announced its intention of holding regional hearings at which certain legal questions could be argued, and at which those interested might show cause why the proposed class rate scale should not be allowed to come into effect on the date mentioned.

Services

New motive power delivered during the year consisted of 60 diesel-electric units, bringing the number of such units in service at the end of the year to a total of 292.

The changeover to diesel power for freight and passenger services on the mountain territory between Calgary and Revelstoke was completed.

Diesel locomotives are being employed in territories selected with a view to obtaining the greatest advantage from the capital expended. The policy has been to provide sufficient units to handle the peak volume of traffic in each of the selected territories. Servicing and repair facilities are being planned so that, whenever traffic is below peak volume, diesel power can be operated in substitution for steam locomotives on adjacent territories. In this way, the high level of utilization necessary for maximum economies can be maintained.

Ordinary Capital Stock

By Order-in-Council P.C. 252 approved by His Excellency the Governor-General on February 4, 1930, the issue of additional Ordinary Capital Stock to the extent of $165 million was approved thereby increasing to $500 million the amount of Ordinary Capital Stock which your Company is authorized to issue. The shareholders have heretofore authorized the issue of $115 million of the additional amount of Ordinary Capital Stock, leaving a balance still to be authorized of $50 million.

Under the terms of the Trust Agreements securing the issues of Convertible Collateral Trust Bonds, your Company has issued or is holding reserved against the conversion rights conferred on the holders of the bonds, an amount of $68 million of Ordinary Capital Stock, leaving only $47 million which your Directors are authorized to issue for further financing when required.

Your Directors are, therefore, of the opinion that it is advisable that in addition, authority be given them to issue the said balance of Ordinary Capital Stock amounting to $50 million. You will accordingly be asked at the forthcoming meeting, to authorize the issue thereof in such amounts, on such terms and at such times as the Directors shall from time to time decide.

Patrons, Officers and Employees

Appreciation is recorded of the support of the many shippers and the travelling public who use your services. Their continued patronage is a tribute to the 95,000 men and women who make up the Canadian Pacific organization. For the loyal co-operation of officers and employees in your service, your Directors desire to express sincere thanks.

For the Directors,

W. A. Mather,
President.

Montreal, March 9, 1953.

HIGHLIGHTS

	1952	1951	Increase or *Decrease*
YEAR'S RESULTS			
Gross Earnings	$ 457,808,969	$ 428,911,639	$28,897,330
Working Expenses	428,878,189	402,098,807	26,779,382
Net Earnings	28,930,780	26,812,832	2,117,948
Ratio Working Expenses to Gross Earnings	93.7%	93.7%	
Other Income	$ 22,651,775	$ 29,343,635	$ *6,691,860*
Interest and Rental Charges	12,504,010	12,848,997	*344,987*
Dividends—Preference Stock	3,102,382	3,328,010	*225,628*
—Ordinary Stock	20,664,464	20,100,000	564,464
Balance for Modernization and Other Corporate Purposes	15,311,699	19,879,460	*4,567,761*
YEAR-END POSITION			
Property Investment	$1,532,182,785	$1,487,838,973	$44,343,812
Other Investments	175,579,208	181,326,551	*5,747,343*
Funded Debt	112,516,000	99,045,000	13,471,000
Reserves	552,004,485	538,407,062	13,597,423
Working Capital	116,925,631	103,859,161	13,066,470
TRAFFIC			
Tons of Revenue Freight Carried	61,504,788	60,650,472	854,316
Revenue Passengers Carried	9,868,075	10,460,532	*592,457*
Revenue per Ton Mile of Freight	1.30c	1.31c	*0.01c*
Revenue per Passenger Mile	2.83c	2.82c	0.01c
EMPLOYEES			
Employees, All Services	95,695	92,012	3,683
Total Payrolls	$ 297,894,376	$ 273,963,465	$23,930,911
Average Annual Wage	$ 3,113	$ 2,977	$ 136

Canadian Pacific Railway Company

GENERAL BALANCE SHEET, DECEMBER 31, 1952

ASSETS

Property Investment:		
Railway, Rolling Stock and Inland Steamships	$1,100,587,702	
Improvements on Leased Property	126,867,977	
Stocks and Bonds—Leased Railway Companies	135,092,295	
Ocean and Coastal Steamships	62,922,995	
Hotel, Communication and Miscellaneous Properties	106,711,816	
		$1,532,182,785
Other Investments:		
Stocks and Bonds—Controlled Companies	$ 72,631,987	
Miscellaneous Investments	45,202,285	
Advances to Controlled and Other Companies	7,862,061	
Mortgages Collectible and Advances to Settlers	1,077,404	
Deferred Payments on Lands and Townsites	5,823,589	
Unsold Lands and Other Properties	8,266,002	
Insurance Fund	13,188,540	
Steamship Replacement Fund	21,527,340	
		175,579,208
Current Assets:		
Material and Supplies	$ 57,256,249	
Agents' and Conductors' Balances	19,013,712	
Miscellaneous Accounts Receivable	21,307,874	
Government of Canada Securities	54,960,200	
Cash	49,826,104	
		202,364,139
Unadjusted Debits:		
Insurance Prepaid	$ 542,448	
Unamortized Discount on Bonds	3,574,700	
Other Unadjusted Debits	3,262,380	
		7,379,528
		$1,917,505,660

LIABILITIES

Capital Stock:		
Ordinary Stock	$345,025,375	
Preference Stock—4% Non-cumulative	137,256,921	
		$ 482,282,296
Perpetual 4% Consolidated Debenture Stock	$390,273,997	
Less: Pledged as collateral to bonds	97,716,300	
		292,557,697
Funded Debt		112,516,000
Current Liabilities:		
Pay Rolls	$ 19,883,903	
Audited Vouchers	11,683,082	
Net Traffic Balances	2,349,609	
Miscellaneous Accounts Payable	10,387,364	
Accrued Fixed Charges	845,355	
Unmatured Dividends Declared	11,896,312	
Other Current Liabilities	28,392,883	
		85,438,508
Deferred Liabilities		3,922,694
Reserves and Unadjusted Credits:		
Depreciation Reserves	$533,051,345	
Investment Reserves	1,645,781	
Insurance Reserve	13,188,540	
Contingent Reserves	4,118,819	
Unadjusted Credits	3,838,682	
		555,843,167
Premium on Capital and Debenture Stock		37,263,157
Land Surplus		77,225,695
Profit and Loss Balance		270,456,446
		$1,917,505,660

ERIC A. LESLIE, Vice-President and Comptroller

To the Shareholders,
Canadian Pacific Railway Company:

We have examined the above General Balance Sheet of the Canadian Pacific Railway Company as at December 31, 1952, the Income and Profit and Loss Accounts for the year ending on that date and other related schedules, and have compared them with the books and records of the Company.

The records of the securities owned by the Company at December 31, 1952, were verified by an examination of those securities which were in the custody of its Treasurer and by certificates received from such depositaries as were holding securities in safe custody for the Company.

In our opinion the General Balance Sheet, Income and Profit and Loss Accounts and the other related schedules are properly drawn up so as to present fairly the financial position of the Company at December 31, 1952, and the results of its operations for the year then ended, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Montreal, March 6, 1953

PRICE WATERHOUSE & CO.
Chartered Accountants

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

WOODS MANUFACTURING CO. consolidated net loss for 1952 was $4,689. Net profit for 1951 was $171,039. Company's 1952 annual report shows $247,355 recovery of income taxes, giving a net profit of $117,608.

Company's bag division suffered substantial losses due to heavy declines in market prices of raw materials, mainly burlap, reports President Harold Crabtree. Imports of competitive grades of cotton fabrics at prices below cost contributed to difficulties at company's Welland mill.

While expenditures on new equipment have been of material assistance, increased labor costs, lower volume and shorter runs served to aggravate the situation, says the president.

Canvas business at company's Hull factory was satisfactory, Mr. Crabtree notes, but company is considering dropping its clothing department and expanding in other more complementary and profitable lines.

Expenditures on capital improvements totaled $949,383 in 1952. The improvement program, which has extended over several years, will require at least another two years to complete.

Woods-Dryden Paper Bags Ltd., in which company owns a 60% interest, had a satisfactory year, reports Mr. Crabtree. Dividends received from this source totaled $48,000 in 1952.

Under Section 95A of the Income Tax Act, company made a stock distribution which had the effect of a tax-free distribution of $1 per share to common shareholders.

J. P. Pettigrew, assistant general manager, was elected to board of directors to fill vacancy created by the death of Mr. Arthur M. Irvine.

Annual meeting is April 10.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net earnings	$146,770	$1,208,052
Less: Deprec.	499,194	362,381
Invent. res.	......	150,000
Bond int. (net)	49,620	34,612
Income tax	‡247,355	290,000
Add:		
Tr. from invent. res.	150,000	......
Net profit	•4,689	171,039
Less: Com. divd.	18,138	64,533
Class A divd.	18,600	......
Surplus for year	•39,427	106,506

‡Estimated recovery.
•Loss or deficit.

Note: Company's report includes $111,680 prof. on sale of investments and $10,617 prof. on sale of assets, showing a net profit of $117,608. On this basis, earnings would have been $1.96 on class A and 76 cents on the common.

Earnings per Share and Dividend Record:

Class A	d$0.08	....
Paid	0.31	....
Common	d0.31	$2.63
Paid	▲0.25	1.00

▲Plus stock dividend of one Cl. B 4% noncum. red. pf. $1 par value for each sh. held. Red. Aug. 8, 1952.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$35,040	$33,705
Accts. rec.	1,132,652	1,227,257
Tax recov.	247,356	......
Inventories	3,350,052	3,368,752
Total curr. assets	4,765,100	4,629,714
Prepaid exp.§	39,750	17,433
Investments†	2,098,480	250,000
Invest. in subsid.	60,000	60,000
Invest. in assoc. cos.	75,500	45,500
Fixed assets*	3,683,324	3,256,671
Total assets	11,723,154	[illegible]
Bank loans	206,000	414,000
Accts., etc., pay.	1,401,979	1,248,466
Taxes pay.	51,044	183,639
Total curr. liab.	1,659,023	1,846,105
General res.	1,000,000	1,000,000
Funded debt	1,500,000	923,000
Capital stock	4,995,320	1,564,960
Earned surplus	2,492,499	2,905,253
Capital surplus	75,312	......
*After depr. of	4,884,422	4,454,830
†Market value	3,026,000	400,000
§Included in curr. assets in co's report.		
Working capital	3,106,077	2,783,609

L. McBRINE CO., Kitchener, net profit of $13,455 for 1952 was 58.6% less than 1951 net of $32,532.

Operations were slow in the first half due to reduction of inventories by dealers and to credit restrictions. A marked increase in demand and sales volume in the last quarter strained production facilities, reports President E. J. Shoemaker, and this condition is continuing in 1953.

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net earnings	$22,638	$63,338
Less: Inc. taxes	9,183	30,806
Net profit	13,455	32,532
Less: Pref. divds.	20,000	20,000
Com. divds.	5,000	5,000
Surplus for year	↓11,545	7,532

↓Deficit.

Earnings per Share and Dividend Record:

Preferred†	$0.67	$1.63
Paid	1.00	1.00
Pref. & com.‡	d0.22	0.42
Com.: Paid	0.50	0.50

†Before (‡after) participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$993	$450
Accts., etc., rec.	367,712	403,569
Inventories	510,109	654,545
Life ins., c.s.v.	22,279	23,688
Total curr. assets	901,093	1,077,252
Prep. exp.§	38,353	45,045
Fixed assets*	173,234	161,946
Total assets	1,112,680	1,284,243
Bank loan & o'draft	390,338	352,567
Accts. & tax. pay.	110,561	108,350
Total curr. liab.	500,899	460,917
Capital stock	240,000	240,000
Surplus	371,781	383,326
*After depr. of	239,888	227,882
§Incl. in curr. assets in co's report.		
Working capital	400,194	616,335

Contingent liability—Committed to contribute $30,956 to pension plan payable during next 4 years.

MARSHALL-WELLS CO., Duluth, Minn., consolidated net profit of $1,986,305 for 1952 was 30.7% less than 1951 net of $2,867,401.

Consolidated net sales amounted to $89,056,962, compared with $93,747,836 in 1951. Decrease was entirely due to decline in U. S. sales volume; Canadian subsidiaries' sales advanced $759,546 to $45,726,391.

A principal reason for decline in U. S. sales was a 12-week strike of warehouse employees at company's Duluth branch. Other material contributing factors, reports President J. H. Moore, were U. S. steel strike and west coast logging and lumber strikes.

Capital expenditures were $670,000, of which $554,000 was spent by subsidiary building corporations and balance by parent company and its operating subsidiaries for office, warehouse and factory equipment.

Building sites purchased in Canada in 1952 were at Edmonton, Prince George, Calgary and Saskatoon. A new warehouse was completed at Prince George in 1952. Warehouse properties at Saskatoon have been sold since Jan. 1, 1953, and company plans to construct new warehouse there.

"It is contemplated that the construction of warehouse facilities on the other sites will be carried out gradually over the next few years as conditions permit," says Mr. Moore. Cost of construction of new warehouse facilities in Canada will be borne by Marshall-Wells Buildings of Canada Ltd.

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F. GARVIN SMITH

has been appointed chairman, A. C. Leslie & Co.

YOU ASKED US

INVESTMENTS

Brown Co.

Is Brown Co. planning to start dividends on its common stock soon? Should I switch from the common into the second or first preferred?

There have been no new announcements recently by Brown Co. on common dividend prospects. The company's annual report for the year ended Nov. 30, 1952, is expected to be issued shortly and possibly some clue will be given then.

When the company was recapitalized about two years ago, holders of the old $6 convertible preferred shares received one new $5 cumulative redeemable no-par-value first preference share and one $3 cumulative redeemable no-par-value second preference share. An annual non-cumulative sinking fund was created equal to (a) 1/3 of consolidated net income after deducting an amount equal to the annual payments on funded debt and annual preference and unexchanged $6 preferred dividends, plus (b) an amount equal to any dividends on the common.

This sinking fund is to apply to the retirement, through purchase or redemption, of the $3 second preference stock, and upon the complete retirement of this issue will apply to the $5 first preference stock, except that at that time the sinking fund will not be increased by any common dividends declared.

At the time, the company did not indicate just how soon common dividends were likely to be started. It did state, however, that the plan paved the way for earlier consideration of common dividends and added: "It is believed that earnings will be sufficient to provide for substantial retirement of the new second preference stock and eventually of the first preference stock through the sinking fund."

Originally there were issued 143,456 first preference shares and 143,456 second preference shares. During the year ended Nov. 30, 1951, 36,249 second preference shares were purchased for the sinking fund account, equal to 25% of the total issue.

Retirement of the second preference stock requires substantial amounts of money. The company has also been making large expenditures on plant improvement. A substantial portion of its cash resources has been used in these two ways. To retire the 36,249 second preference shares, for instance, cost $1,785,844, or an average of about $49.20 per share; plant expenditures in the 1951 fiscal year totaled $7.5 millions in both the U. S. and Canada, with commitments for another $5.2 millions at the year end. The company's annual report will show the cost of purchasing second preference shares and the cost of the plant improvement program in the 1952 year.

Earnings figures of the company for the 1952 year have been issued. They show net profit of $4,396,967 compared with $7,430,040 in the previous year. These were equal to $30.65 ($51.79) per first preference share, $34.32 ($62.61) per second preference share and $1.69 ($3.17) per common share.

The question of whether or not you should switch from the common into the second preferred really boils down to whether you want a security with a fixed, cumulative dividend which the company intends to purchase or redeem, or an equity security with the usual additional risk but chances of greater return.

The question is somewhat different with the first preference stock since it is convertible into common shares on the basis of seven common for each preferred. Holders of the first preference receive fixed cumulative dividends while at the same time they can participate in future growth through the conversion feature.

The first and second preference shares are currently selling at levels to yield about 5.2% and 6.0% respectively. The common shares have traded this year as high as $12, and as low as $9, and they are currently trading at about $11.50.

JAMAICA PUBLIC SERVICE CO. reports net income of £19,047 for January, up from £11,818 in Jan., 1952. Operating revenues totaled £75,246 (£63,243) and operating revenue deductions £40,741 (£43,946). For 12 months ended Jan. 31, 1952, net income totaled £195,991 vs. £123,317 same period a year earlier.

HUGH H. TURNBULL, M.B.E., Q.C.,
Montreal lawyer, who has been elected a Director of Montreal Life Insurance Company.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DONOHUE BROS. LTD., Quebec, net profit of $585,394 for 1952 was 35.3% less than 1951 net of $905,286.

Reduction in profits is result of substantial increase in production costs and reduction in sales and price of mechanical groundwood, reports President G. T. Donohue. However, most important single factor was the decline in value of U. S. funds.

Increase in fixed assets during 1952 resulted from acquisition of cutting rights on 137 square miles of crown lands and from continuation of capital improvement program, says the president. This program, for which required funds are on hand, is expected to be completed by the end of 1953.

Production of newsprint in 1952 was 63,953 tons, a slight increase over 1951. Demand for groundwood declined, and sales were 12,272 tons as compared with 16,433 in 1951. Company's newsprint capacity will increase again in 1953 as a result of completion of capital improvements, says Mr. Donohue.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net earnings	$1,745,442	$2,206,122
Less: Deprec.	298,692	247,433
Funded debt int.	153,531	52,152
Income tax	702,825	1,001,251
Net profit	585,394	905,286
Less: Divds.	360,000	300,000
Surplus for year	225,394	605,286
Times Interest Earned:		
Before deprec.	11.01	42.30
After deprec.	9.13	37.56
Earnings per Share and Dividend Record:		
Common†	$1.95	$3.02
Paid (new)	1.20	....
Paid (old)	....	1.00+1.00

†Based on present capitalization after 2-for-1 stock split, approved Dec., 1951.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$799,888	$670,048
Govt. bonds†	500,000	506,238
Accts. rec.	771,864	733,942
Inventories	2,502,210	2,268,032
Total curr. assets	4,573,962	4,178,260
Misc. assets	300,766	342,876
Exp. program dep.	1,045,437	1,403,447
Note red. dep.	......	26,206
Fixed assets*	4,669,921	3,032,502
Total assets	10,590,086	8,983,291
Accts & tax. pay.	952,470	1,024,799
S.f. pay. due	39,296	......
Adv. re pulp sls.	308,633	291,217
Total curr. liabs.	1,300,399	1,316,016
Funded debt	3,270,000	......
Notes pay.	......	1,095,312
Loans pay.	......	692,645
Capital stock	2,000,000	2,000,000
Earned surplus	4,019,687	3,879,318
†Mkt. value	458,750	461,250
*After depr. of	4,340,792	4,208,094
Working capital	3,273,563	2,862,244

STANDARD CLAY PRODUCTS LTD., St. Johns, Que., net profit of $9,733 for 1952 was 72.3% less than 1951 net of $35,180.

Demand was disappointing in the first three months and last two months of 1952, reports President C. T. Trotter, and tonnage sales were approximately 8% lower than in 1951. Owing to high cost of building materials and labor and to unfavorable weather conditions, removal of certain credit restrictions failed to encourage the anticipated residential building activity, he says.

Shortages of cement and steel reinforcing wire in the summer months reduced production of concrete pipe plants to some extent.

With a view to furthering the sale of concrete sewer and culvert pipes, a wholly owned subsidiary known as Standard Concrete Products Ltd. has been incorporated, Mr. Trotter announces. By advertising its concrete products separately, company hopes to contact a larger number of interested purchasers.

Company's 6% first mortgage refunding and converted bonds matured Dec. 2, 1952, in the amount of $400,000. A new $400,000 6% issue with a further life of ten years has been authorized, and old bonds are being exchanged for new.

C. J. G. Molson has been named a director to fill vacancy created by retirement of Walter Molson.

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net earnings	$84,722	$148,471
Less: Depr. & depl.	44,979	55,425
Bond int.	23,970	24,000
Inc. & corp. tax	6,040	33,866
Net profit & surp.	9,733	35,180
Times Bond Interest Earned:		
Before deprec.	3.53	6.19
After deprec.	1.66	3.88
Earnings per Share and Dividend Record:		
Com.: Earned	$1.30	$4.69

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$7,337	$105,369
Accts. rec.	74,881	56,450
Inventories	425,962	262,659
‡Total curr. assets	508,180	424,478
Invests.	8,512	......
Pref. chgs.§	21,063	11,201
Misc. assets‡	702	672
Fixed assets*	860,245	898,247
Goodwill	50,000	50,000
Total assets	1,448,702	1,384,598
Total curr. liab.	123,617	69,246
Funded debt	400,000	400,000
Capital stock	750,000	750,000
Surplus	175,085	165,352
*After depr. & depl. of	596,648	557,065
Working capital	384,563	355,232

§Incl. in curr. assets in co's report.

DOMINION ENGINEERING WORKS LTD., Lachine, Que., consolidated net profit of $1,878,374 for 1952 was 4.1% higher than 1951 net of $1,803,941.

"Sales completed and billed during 1952 were about 15% larger than in 1951, but the profit per dollar of sales on this larger volume of business was somewhat lower, reflecting the higher costs of materials and wages in relation to sales prices," reports President H. G. Welsford.

Prices of some products have remained fixed or have been reduced owing to combined effect of price controls and prevailing discount on U. S. dollar on competitive products manufactured in U. S. and sold in Canada.

Dollar value of new business booked in 1952 was smaller than 1951's record, says Mr. Welsford, but included increased volume of defence work. Important orders were six additional 105,000 hp hydraulic turbines under a head of 292 ft. for the new Sir Adam Beck plant of Ontario HEPC at Niagara Falls, and eight 10,000 hp. propeller type hydraulic turbines under a head of 23 ft. for the McArthur Falls development of Manitoba's Hydro Electric Board.

Capital expenditures in 1952 totaled $1,850,935, mostly on program to increase company's manufacturing facilities to meet present and prospective demand. Largest project was construction of a new steel foundry and purchase and installation of additional equipment for the iron foundry, for which expenditures of $3 millions have been authorized. This new facility is expected to be ready for operation by summer.

Unspent capital appropriations carried into 1953, chiefly for construction and equipment of new steel foundry, totaled $2,402,815.

Annual meeting is April 10.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net earnings	$5,768,567	$5,632,623
Less: Depreciation	998,278	935,423
Dev & research	190,446	164,319
Inc. tax res.	2,706,459	2,761,398
Add: Profit on assets	4,990	12,458
Net profit	1,878,374	1,803,941
Less: Divds	562,500	562,500
Surplus for year	1,315,874	1,241,441
Earnings per Share and Dividend Record:		
Common (new)*	$3.01	$2.89
Payable	0.60+0.30	3.00+1.50

*After 5-for-1 stock split, Oct., 1951.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$1,028,379	$2,613,011
Call loan	2,500,000	2,500,000
Invests., bonds†	3,230,903	1,758,053
Accts., etc., rec.	3,530,518	4,497,146
Work in progress } Inventories }	2,737,999	854,894
Total curr. assets	13,027,790	12,223,104
Misc. assets	§201,493	§154,471
Fixed assets*	5,368,207	4,530,970
Total assets	18,597,490	16,908,545
Total curr. liab.	6,060,445	5,682,374
Funded debt	50,000	55,000
Contin. res.	250,000	250,000
Capital stock	2,900,050	2,900,050
Capital surplus	426,374	426,374
Earned surplus	8,910,621	7,594,747
*After depr. of	7,570,104	6,713,478
†Market value	3,336,000	1,838,125
Working capital	6,967,345	6,540,730

§Incl. in current assets in co's report.

MACKAYVILLE, Que. School Commission has sold $233,500 4% bonds due April 1, 1954-63, and $117,000 5% due 1964-73, to Rene T. Leclerc Inc. at 97.33. Net cost 4.95%. Proceeds for construction of school. Provincial grant of $208,119 payable in 10 annual installments. Net funded debt at June 30, 1952, $625,000; population in 1952, 5,800.

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SELECTED GROWTH STOCKS By NESTOR

Pacific Petroleums

Here is the thirteenth in The Financial Post's exclusive series of Selected Growth Stocks, chosen by one of the continent's most prominent and successful investment advisers. The two (of 10) "natural resource companies" covered here are the last in the selection of 26 stocks. Each of the 26 will now be reviewed regularly quarterly, and the first two of these reviews will appear next week. Publication of this series in The Post does not constitute a recommendation to buy these stocks.

REASONS FOR CHOICE: Pacific Petroleums' policy of re-investing income in exploration and development of oil and natural gas on six million acres in which it has an interest in varying amounts (equivalent to 100% interest in 3.3 million acres, or ¾ acre per share), suggests eventual large earnings return. Through its interests in Canadian Atlantic Oil and Peace River Natural Gas, the company should capitalize on the development of natural gas.

Pacific Petroleums Ltd., has an interest in extensive acreage in Alberta and British Columbia, with lesser acreages in Saskatchewan, Manitoba and North Dakota. The company has substantial oil holdings in Alberta. Chief concentration of its exploration and development efforts at the moment is the search for natural gas in northwestern Alberta and northeastern British Columbia.

It is in this latter region that a good deal of its potential growth lies. The most important development has been the proving of large quantities of natural gas and a possible oil field at Fort St. John, B.C.

The company hopes to market this gas in the Pacific coast area of Canada and the northwestern United States. It holds a substantial interest in the proposed project of Westcoast Transmission Co. which was incorporated by special act of the Federal Parliament in April, 1949, to transport natural gas from British Columbia and Alberta fields through B.C. to Vanouver, and on through to U.S. cities.

Westcoast Transmission was authorized by the Alberta legislature in April, 1952, to export natural gas from the Peace River area of northeastern Alberta. Approval was also given by the federal Board of Transport Commissioners to construct the necessary pipeline to Vancouver and U.S. markets, and hearings are now under way before the Federal Power Commission in Washington covering the U.S. portion of the line. Cost of the project is estimated at $111 millions.

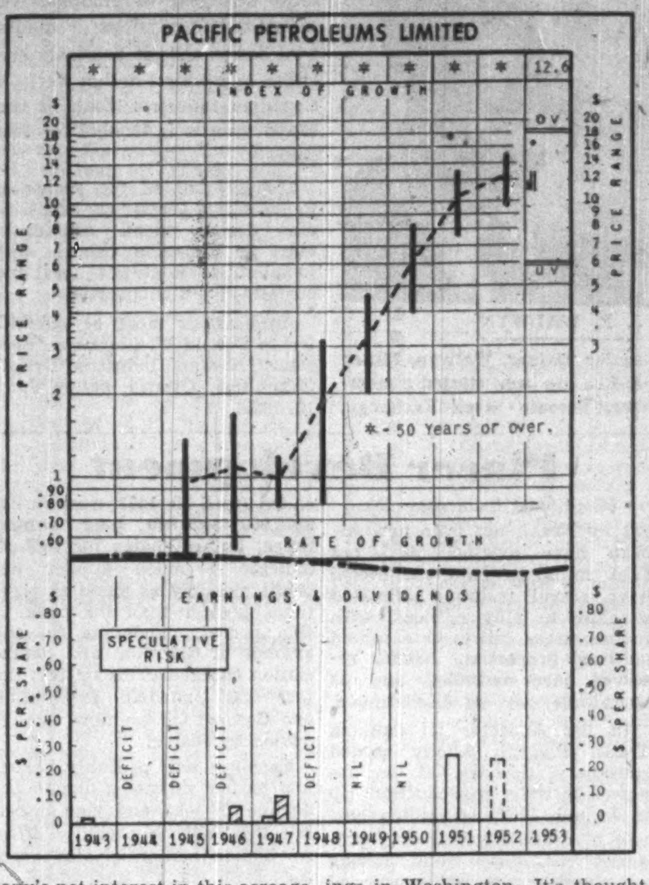
Under tentative financing arrangements, $58 million 4% first mortgage bonds have been allotted to Prudential Life Insurance, New York Life Insurance and Northwestern Mutual; $25 millions would be provided by a bank loan at 3-3½%, secured by first mortgage bonds; $18 million preferred stock would be sold in Canada through Wood, Gundy & Co. and Nesbitt, Thomson & Co., and in the U.S. by a syndicate headed by Eastman, Dillon & Co. The preferred would carry a bonus of one common share.

The remaining $10 millions would be in common stock, all committed to Pacific Petroleums and other sponsoring companies.

In an independent survey by federal government geologists, made in connection with Westcoast's application to the Board of Transport Commissioners, available gas reserves of the Peace River district were estimated at 2,506,000 million cubic feet, of which 1,585,000 million are in northeastern B.C. and 921,000 million in the Alberta portion.

In the hearings before the FPC in Washington, Westcoast counsel said the company can purchase reserves totaling 2,800,000 million cu. ft. in northern B.C. and Alberta. It has contracts to buy 2,300,000 million from producers in about 20 fields, and producers in another 11 fields are said anxious to sell their gas to the company.

Of the six million acres under development in which Pacific Pete held an interest at Feb. 29, 1952, 3.3 million are in B.C., 2.4 million in Alberta, 290,000 in Saskatchewan, 21,000 in Manitoba and 500 in North Dakota. The company's net interest in this acreage works out to the equivalent of 3.3 million acres.



It controls Peace River Natural Gas Co., with holdings of almost 1.5 million acres (net interest of about 600,000 acres), most of it held in associations with Pacific Petroleums.

The principal holdings are in the southern section of northeastern B.C., and the bulk of them lie along or adjacent to the proposed Westcoast Transmission pipe line route. Pacific Petroleums, at last report, held more than 50% (1,284,560 shares) of Peace River's 2,440,050 issued shares.

Pacific Petroleums also holds 339,050 shares of Canadian Atlantic Oil Co., out of 2,931,671 shares outstanding. At last report, Canadian Atlantic had an interest in 76 producing oil wells and in more than 4.6 million acres in western Canada, more than half of it in northeastern B.C., mainly in association with the Pacific Petroleums group. Net acreage interest amounts to just over one million acres.

In addition to its interest in the proposed Westcoast Transmission project, Pacific Petroleums took up 42,500 common shares of Trans Mountain Oil Pipe Line Co. (out of 1.5 million outstanding) at the time of the initial financin, at $10 a share.

Pacific Petroleums holds an interest in 78 producing Alberta oil wells, mainly in the Redwater field. Its share of net oil production, before deducting royalties, was 456,000 bbl. valued at $1.1 millions in the year ended Feb. 29, 1952, compared with 159,000 bbl. valued at $556,000 in the 1948-49 fiscal year. These wells provide the company's chief source of revenue at present.

Pacific has a 16 2/3% interest in a project to explore the oil sands of northern Alberta. The company and nine others acquired 250,000 acres of leases on which they have been conducting a core drilling program.

Pacific Petroleums itself is closely associated with Sunray Oil Corp. in the United States, which is understood to hold a substantial interest in the company.

Because of its interest in the Peace River area natural gas reserves, main immediate question in the company picture is the outcome of the present FPC hearings in Washington. It's thought likely that the decision may not come before May or June at least. There is particularly strong opposition from the Fish natural gas interests which are pushing for a line from the San Juan gas fields in the southwestern U.S. to serve the Pacific northwest.

Pacific Petroleums has been charging off development expenditures against earnings at a rate which has kept net profits low, but provides funds for further development. Unproductive development expenditure, including geological, geophysical, drilling expense and casing, must be charged in the year incurred to be tax deductible, although if such expenditures exceed earnings, the excess may be applied against earnings of other years.

If a well is productive, these expenditures are capitalized and may be written off against future net income at any time and at any rate desired by the company. If income happens to be large, they may be written off in one year, or they may be carried indefinitely to be written off at some future time when the company's tax advantage may be greater.

INCOME ACCOUNT

Years Ended Feb. 28-29:	1952	1951
Net inc. from wells	$770,439	$612,952
Add: Invest. inc.	51,309	75,713
Prof. sale of f.a., etc.	3,537,238	43,108
Tax adj., pr. yrs.	......	21,424
Int. rec., etc.	10,076	16,808
Total net income	4,369,062	770,005
Less: Admin. & gen. exps. (net)	1,190,238	284,243
Interest	31,410	57,405
Net loss on asset sale	24,079	......
Net profit before w/o	3,123,335	428,357
Less: Deplet. on	177,244	122,035
Explor. cost w/o	934,148	......
Unprod. devel. w/o	......	273,834
Prov. for explor. & devel. in progress	816,604	32,488
Net profit after w/o	1,195,339	nil
Earned per Share:		
Before w/o	$0.50	$0.10
After w/o	0.27	nil
None paid.		

CONDENSED BALANCE SHEET

As at Feb. 28-29:	1952	1951
Cash	$1,067,410	$54,724
Mkt. secs.*	2,604,834	1,873,734
Accts., etc., rec.	1,356,184	792,037
Inventories	533,471	320,103
Total curr. assets	5,561,899	3,043,598
Def. accts. rec.	430,477	745,244
Prep. chgs.¶	28,252	29,632
Invest. in subs.	1,176,111	737,546
Invest after res.	102,360	237,503
Devel. prop., wells, plant & equip.§	3,308,610	4,743,462
Total assets	11,844,794	9,538,985
Bank loan (sec.)	......	50,000
Accts., etc., pay.	930,330	735,455
Total curr. liab.	930,330	785,455
Def. liabs.	66,514	29,675
Capital stock	4,455,363	4,418,600
Capital surplus	‡4,497,136	‡4,342,228
Surplus	1,158,366	†36,973
§After. Depr. of	266,368	173,442
Depletion of	393,810	250,521
Devel. w/o of	1,000,000	183,395
*Mkt. value	4,931,181	1,888,031

‡Incl. $3,752,861 premium on 828,000 shs. issued during year 1950 and $154,908 premium on 36,763 shs. issued during 1951.
¶Incl. in curr. assets in co's report.
†Deficit.

	1952	1951
Working capital	4,631,369	2,260,143

PACIFIC PETROLEUMS' CAPITAL SETUP

Capitalization:	Authorized	Issued	Outstanding
Common stock, $1 par value	5,000,000 sh.	4,455,363 sh.	4,455,363 sh.

Directors: Frank M. McMahon (board chairman and chief executive officer); G. L. McMahon (president); L. M. Clark (vice-president, exploration); W. N. Graburn (vice-president, land & leasing); A. P. Bowsher (vice-president, finance), Calgary; N. R. Whittall, Vancouver; C. H. Wright, Tulsa, Oklahoma.

How To Read the Charts

The charts covering the entire list of 16 Selected Growth Companies and 10 Selected Natural Resource Companies, are issued two each week so that, over a quarter, the entire list is presented. All Charts are on similar scales so that each stock is comparable with all others.

Explanations of the Charts follow:

INDEX OF GROWTH: (1) These figures, shown at the top of the Chart, indicate the rate, in terms of years and fractions of years, at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. Figures for years prior to the current year have historical value but it is the current year's figure that is of interest to the investor. A figure of 5.6 for the present year, to illustrate, would indicate that at its current growth rate the value of the equity behind the particular stock is doubling every 5.6 years.

PRICE RANGE: (Vertical figures in the upper half of the chart) The annual high, low and mean price—with monthly ranges given for the current year in order that the stock's price in relation to its Undervaluation or Overvaluation price level may be seen.

UNDERVALUATION and OVERVALUATION PRICE LEVELS: These price levels are shown by the use of narrow horizontal lines above and below the stock's price range. These are levels at which the price of the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock that is showing a fast-growth rate will sometimes anticipate growth by two or three years. Under such circumstances, it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. We use the words "may not be" in the preceding sentence because other factors, such as the rate of growth and the investment quality, will enter into the comparative value, from the investor's standpoint, of one stock as against another. By noting the most recent price of the stock, as shown on the charts and in subsequent daily quotations from the newspaper, and its position in relation to the "Undervaluation" or "Overvaluation" level, as shown on the Chart and in the statistical tables accompanying these studies, the investor can readily tell where a stock stands, pricewise, in relation to its projected growth rate.

If, for illustration, a stock's Undervaluation/Overvaluation figures for the current year are 50 and 100 and the stock is selling at 55, it would be adjudged a much better current value than if selling at 75. Without these Undervaluation and Overvaluation levels, a current quotation for the stock of 55 or 75, as the case might be, would carry no significance as concerns long-range value. Investors should keep in mind that these Undervaluation/Overvaluation levels are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figure in any given year. The levels are provided to permit judgment, as between one stock and another, when purchasing is being effected, as to which is discounting its future growth to the least extent.

RATE OF GROWTH: The rate, as based on our tests, at which the company is showing underlying, or long-term, growth. It is this factor that will determine the price trend of the company's common stock over a period of years and, in most instances, the trend of dividend payments.

Background and principles behind the selections by Nestor were discussed in a special article in The Financial Post, Jan. 10. A limited number of reprints are available on request.

Placer Development

REASONS FOR CHOICE: Following end of World War II, Placer Development inaugurated a policy of diversification that is broadening earnings base and developing increased net returns. Chief operating subsidiaries are currently producing gold, lead, zinc, tungsten, oil, and coal. Operations are in Canada, the United States, Australia, New Guinea, and South America.

Placer Development Ltd. was incorporated in British Columbia in 1926 to secure for investigation and prospecting, options on likely gold placer (alluvial) areas and other mining properties in various parts of the world.

It acts as a holding company, and has disposed of properties developed to operating companies. Since the war, it has broadened its interests, until now its main earnings are from a lead, zinc and tungsten property in British Columbia, with smaller earnings from gold and oil interests.

Placer's most important gold venture was in New Guinea where it developed large alluvial gold deposits in the interior, along the Bulolo River. This operation was turned over to Bulolo Gold Dredging Ltd., in which Placer retains a 12½% interest.

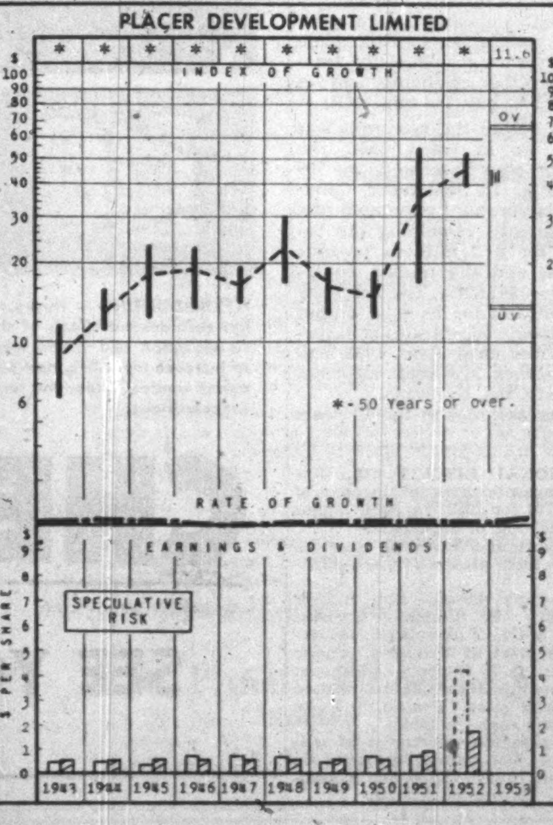
The company has recovered more than $60 millions of bullion since it went into production in 1932 and has paid out just under $26 millions in dividends. Estimated dredging life of property is 11 years, with recoverable bullion valued at more than $15 millions.

In May, Bulolo shareholders approved the company's participation with the Commonwealth Government of Australia in a jointly owned plywood and timber enterprise. The government will own just over 50% of the £1.5 million (Australian) in stock being taken up (company's investment: $1.7 millions). Plans call for cutting pine from a 40,000-acre stand adjoining Bulolo's gold dredging properties. The area is estimated to contain 500 million board feet, and production rate scheduled is 10 million board feet a year. With progressive reforestation, it is expected that the area can be worked in perpetuity.

Other gold interests include a 35.9% interest in Pato Consolidated Gold Dredging Ltd., a 40% interest in Nechi Consolidated Dredging Ltd. and a 41% interest in Asnazu Gold Dredging Ltd. These companies operate along the Nechi and Cauca Rivers in Colombia, South America. Bullion production has totaled $80 millions to date.

No dividends have been paid

(Continued on page 16)



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Leadership Fight Threatens BC Union; Encourages Reds

From Our Own Correspondent

VANCOUVER—There's trouble in the ranks of the International Woodworkers of America (CIO-CCL) on the west coast that could weaken the union's position in the key forest industry.

A political battle among the union's old executive boiled over recently at the annual convention and is now reverberating up and down the coast and in the interior as the more than 30,000 union members ballot on a new executive.

Two factions in the executive are lined up in opposition on the ballot.

The winner will have these problems:

—How to repair the damage of months of bickering between the two forces in time to meet the coast lumber operators across the bargaining table this spring.

—How to heal the political wounds so the union won't offer a target to Communists who once controlled the IWA and have been on the outside ever since waiting to get in again.

Trouble Started Early

Differences of opinion among IWA executives have been simmering for more than a year, finally started to boil after the union's strike against the coast industry last summer. It wasn't a popular strike, called on a wage issue when the industry was faced with a recession because of falling prices and shrinking markets, and the settlement wasn't much of a gain. Some of the executive later admitted it might have been a mistake.

Internal dissension burst into open warfare at the annual B. C. district convention in February. The convention got hopelessly snarled in bitter arguments over the strike.

For three days, the battle took up almost all the convention time at closed sessions and extra sessions had to be held for normal business.

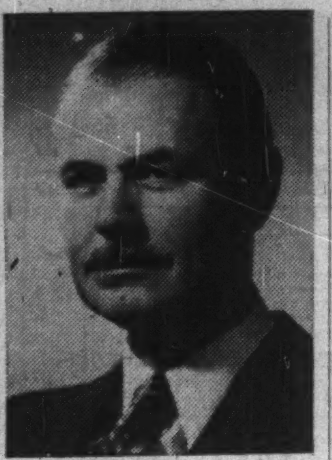
In the end, two groups emerged: Stewart Alsbury, president, leader of the union since it broke with the Communists; and Joe Morris, a district vice-president and head of the Duncan local on Vancouver Island. On IWA ballots, only two names can appear for each post. Each group nominated their man for the executive offices.

It takes about 60 days to hold a secret election ballot for all the logging camps and sawmills along the coast and in the interior. The ballots are now out, should be in by the end of April.

Whoever wins will have to swing right into preparations for annual negotiations for the coast contract, the pacesetter for contracts in B. C.

The IWA appears to have taken note of the lumber industry's plight. A preview of what the union will ask for this year shows the stress is on fringe benefits such as union shop, a guaranteed annual wage, traveling time, overtime, health and welfare and seniority. Wages will still be on the agenda but from the convention attitude it looks as though the demands will be more conservative.

No Communist bid to get back into power in the IWA came to the fore during the pre-election fighting, but they're known to be watching from the sidelines. What's worrying the CCL is that a new crop of Reds with new names will grow up in the union while the present leadership bickers.



J. P. WALWYN

senior partner, Walwyn, Fisher & Co., has been elected a member, Toronto Stock Exchange.

Design Committee Announces Awards

The National Industrial Design Committee will offer two scholarships this year to graduates of recognized universities or industrial design schools presently engaged in practical design work in Canadian industry. Each of the $3,000 awards is tenable for two years.

Thought behind the grants is to encourage greater use of Canadian design talent. Applicants must be Canadian citizens able to submit evidence of at least one completed design project.

Applications must be submitted to Donald W. Buchanan, Secretary, National Industrial Design Committee, Ottawa, before June 10, 1953.

Placer Development

(Continued from page 15)

yet by Nechi, but Pato and Asnazu have together paid out $13.8 millions. Pato and Nechi have gravel reserves estimated at close to $100 millions, with further areas still to be explored on both properties. Asnazu reserves have dwindled, and its operations may be discontinued.

In the Andector oil field in Texas, Placer's wholly owned subsidiary, Coronet Oil Co. has placed 25 wells in production. Up to June 1, 1952, 2.4 million barrels of crude oil had been produced from these wells, leaving estimated recoverable reserves at 18.1 million barrels, in which Coronet Oil has a net 55% interest.

Placer Development holds a 40% royalty on Coronet Oil's oil production. Based on a wellhead price of $2.65 a barrel, and the production allowables in the Andector field, the annual income from the 40% royalty has been estimated at $550,000. Coronet's remaining interest would be available for further exploration and development.

Discovery wells have been completed recently in two other areas in which Coronet is interested.

Coronet also has interests in Wyoming, Montana, New Mexico and California, totaling 14,500 acres, none of which have been proven as yet.

Another wholly-owned subsidiary, Clutha Development, has been formed to undertake a coal project in Australia. The property is being equipped for open cut mining, and limited quantities of coal are being produced.

Canadian Exploration Ltd., a wholly-owned subsidiary formed back in 1935, operates a lead-zinc-tungsten mine near Salmo, B.C. This subsidiary purchased the Emerald Tungsten Mine from the Canadian Government for $950,000 in 1947. The property was rehabilitated and tungsten production was started, the mill treating 250 tons of ore a day. A drop in tungsten operations in 1948 brought production to a halt, however.

After the property had been acquired, the company discovered a rich lead-zinc property estimated to contain 7½ million tons of ore averaging 1.4% lead and 5.2% zinc. The mill was converted to handle these lead-zinc ores, conversion being completed in March, 1949.

Milling rate by late this year had passed the 925-tons-per-day mark, and was expected to reach 1,200 tons. A further substantial expansion is possible if thought advisable.

Canadian Exploration's earnings before depreciation in the year ended Nov. 30, 1951, amounted to $1.9 millions, and in the first six months of the past fiscal year the lead-zinc operations alone produced a comparable profit slightly higher than the full 1950-51 year's results.

Due to sudden defense demand for tungsten, in February, 1951, the Canadian Government bought back its former tungsten mine from the company. A new 250-tons-per-day mill was built and Canadian Exploration operated it and the old mine on a cost-plus basis for the Government.

A new tungsten ore occurrence was discovered outside Government ground by Canadian Exploration with indicated ore reserves of one million tons. This made the operation economically feasible for the company, and it arranged to buy the new mill.

Even before the new mill was started up in April, 1952, the capacity was increased to 700 tons daily. In September, Canadian Exploration purchased the Government's remaining ore reserves for $1.2 millions payable in 1954, and the mining equipment for $414,000. The company has contracts for its total output of tungsten concentrates at favorable prices until June, 1958, and ore reserves are said sufficient to satisfy the contracts.

Placer earnings in the 10 years ended April 30, 1952, were in the $275,000 - $490,000 per annum range, but estimates for 1952-53 indicate a much greater net profit, possibly as much as eight times greater than the peak in this period, depending on the amount of depletion and depreciation charged. This reflects the fact that Canadian Exploration and Coronet Oil are now wholly-owned by Placer.

Earnings will probably be below earlier estimates due to the decline in lead and zinc prices, but this will be partially offset by higher-than-anticipated earnings from oil, it's understood.

Dividends totaling $1.75 a share were paid in 1952 (75c in June and $1 in December) against $1 in 1951 and 50 cents in 1950. Dividends have been paid semi-annually since 1935 without a break. They are not eligible for the 20% tax credit, because for tax purposes, the company is classified as a foreign business and as such, its income is exempt from Canadian income tax.

INCOME ACCOUNT

Years Ended Apr. 30:	1952	1951
Net profit	$482,148	$444,985
Less: Divds.	800,000	400,000
Surplus for year	*317,852	44,985

*Deficit.

Earnings per Share and Dividend Record:	1952	1951
Com: Earned	$0.60	$0.56
Paid	1.00	0.50

CONDENSED BALANCE SHEET

As at Apr. 30:	1952	1951
Cash	$2,951,275	$2,867,252
Accts. rec.	9,032	3,723
Total curr. assets	2,960,307	2,870,975
Loans & advs.	696,414	1,250,000
Buiolo G. shs.	625,000	625,000
Nechi shs.	1,785,356	1,785,356
Pato Cons. shs.	1,592,690	1,592,690
Other invests.	1,094,766	1,065,518
Deferred charges	31,021	11,666
Total assets	8,785,554	9,201,205
Current liabs.	13,424	3,833
General reserve	15,673	163,062
Capital stock	800,000	800,000
Capital surplus‡	6,653,496	6,653,496
Earned surplus	1,302,961	1,580,814
Working capital§	2,946,883	2,867,142

‡Consists of $4,490,990 share premium and $2,162,506 appreciation on invests.

§Not including investments.

Contingent liability: $500,000 bank guarantees for overdraft of subsidiaries.

PLACER DEVELOPMENT'S CAPITAL SETUP

Capitalization:	Authorized	Issued	Outstanding
Common stock, $1 par value	1,000,000 sh.	860,000 sh.	860,000 sh.

Directors: Hon. C. A. Banks (president & managing director), Victoria; H. A. Gould, Vancouver; F. W. R. Godden, J. W. Austin, Sydney, Australia; C. O. Lindberg, New York; R. H. Bennett, Minneapolis, Minn.

NATIONAL BISCUIT CO., New York, consolidated net income of $17,819,160 for 1952 was 10% higher than 1951 net of $16,202,212.

Net sales of $346,537,081 were 5% greater than previous year's $329,924,858.

Company's biscuit and cracker subsidiary in Canada, Christie, Brown & Co., is planning to modernize its plant at Winnipeg, reports President G. H. Coppers. Additional equipment will include installation of a band oven. Project is to be completed early in 1954.

This subsidiary borrowed $4 millions of 4% notes, repayable in Canadian funds 1955-58, and guaranteed by the parent company.

Simpsons-Sears Summer Book Features More 'Hard' Lines

A marked emphasis on "hard" lines is the outstanding feature of the first Simpsons-Sears summer catalogue mailed out last week.

Larger size gives an equivalent of 208 pages, as against the 96-page summer issue put out by Simpsons Ltd. last year. Almost one half of 1953 book is devoted to "hard" items, while the Simpsons 1952 summer catalogue only contained seven pages.

Few items show significant price changes. While some textile goods are down slightly, hardware is up a little. Many of the featured articles are new to Canada, and cannot strictly be compared with previous years.

Nearly all of the newcomers to the mail order book are special Sears "big-ticket" hard goods. Here are some of the highlights:

A 4½-hp motor "scooter" that operates on up to 100 miles to the gallon, new types of laundry tubs and driers, caddy carts for golfing enthusiasts, "unsinkable" fiber glass boats, a reel-type power mower under $100, plastic-moulded plywood round-cornered luggage, a wide variety of picnic goods, glass-lined automatic water heaters, and a new line of semi-automatic washing machines.

Baden Linseed Co. Starts Operation

Baden Linseed Oil Mills Ltd., the flaxseed crushing plant at Baden, Ont., recently purchased by Toronto Elevators Ltd. from Dominion Linseed Oil Co., resumed production this week.

Re-opening of the plant means an expanded market for flax growers in the area. The mill employs 20 people and produces crushed flax, linseed oil, and linseed soap.

This advertisement is for informational purposes only and is not to be construed as a public offering in the Province of Ontario.

$200,000,000

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Dated April 1, 1953 *Due April 1, 1978*

Interest payable April 1 and October 1

Price 99% and Accrued Interest

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A. E. AMES & CO. Incorporated — THE DOMINION SECURITIES CORPORATION

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April 1, 1953.

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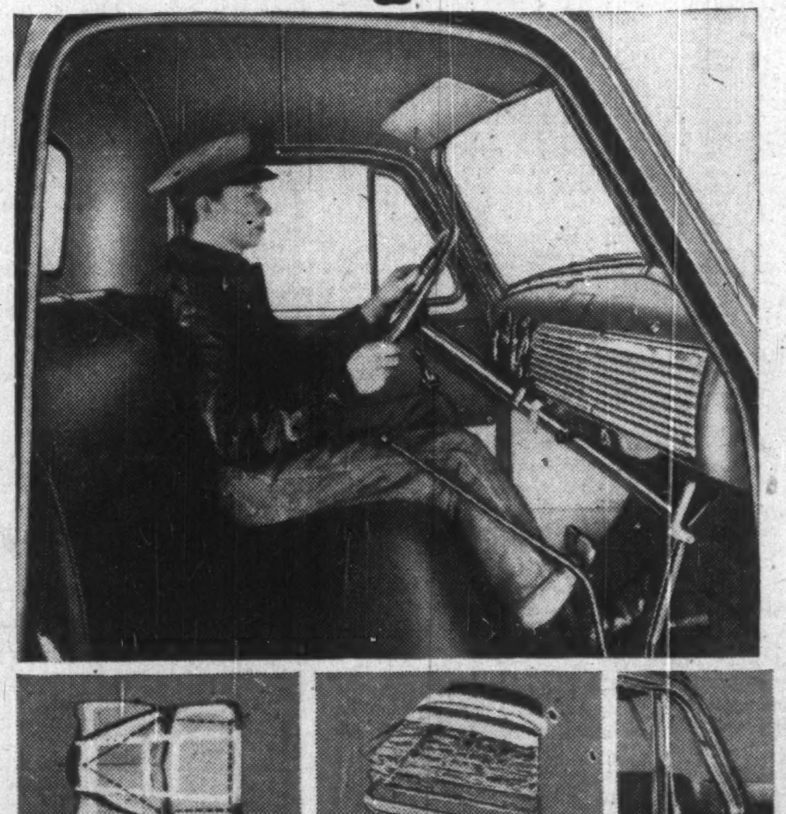
Comfort in the Cab

and dollars in the bank



Chevrolet Trucks are first because they're finest—feature for feature—in performance, economy and just plain value for your money. Take a look at the cab for example. It's "Driver-Conditioned", seats 3 big men with ease. Full width seat cushions, easy access doors and placing all controls in easy handling range provide unusual driver comfort and convenience. Impressive? Sure it is. But the cab is just one of many Chevrolet "Advance-Design" features that add up to one BIG advantage — Chevrolet trucks are the world's leading money makers on any hauling job. What more proof could you ask than the fact that truck operators, recognizing this, buy more Chevrolet trucks than any other make. Why not see *your* Chevrolet dealer today?

Chevrolet *Driver-Conditioned* Cabs

FLEXI-MOUNTING — Husky rubber cushions cut effects of chassis vibration and frame weave to increase truck life, add extra driver comfort under the toughest conditions.

SEAT SPRINGS — Seats have Double-Deck springs, cushiony, Latex-treated hair and cotton topper pad, hard-wearing leatherette cover that looks better, lasts longer.

VENTIPANES — Draft-free or forced ventilation just by adjusting ventipanes to desired angle.

BATTLESHIP CONSTRUCTION — For driver safety, this cab is a single, all-welded, double-walled steel unit that gives maximum protection for all occupants.

ALLIGATOR JAW COUNTER-BALANCED HOOD — Easy access to the engine and good visibility come through the alligator jaw hood that stays open easily without a prop.

ADJUSTABLE SEAT — Fingertip control permits easy adjustment. Seat moves full 3½" forward, back tilts, seat rises for proper eye-level vision and shoulder support.

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Trend of Business

Contract awards first quarter confirm earlier forecasts of 1953 trends. Awards for commercial and institutional jobs are up 74% in value; residential contracts, up 52%; industrial, down 56%; engineering, down 57%. All in comparison first quarter last year. Direction of change more important than degree of change. (MacLean Building Reports.)

Living standards better than prewar? Meat consumption 1952 now figured at 128.2 lb. per capita, compared 118.3 lb. on average through 1935-39. But beef consumption down to 44.8 lb. per capita, from 54.7 lb.; veal, to 6.7 lb., from 10.5 lb. Mutton and lamb also down. Only increases are pork, now 62.2 lb. per capita, up from 39.8 lb., and canned meats, up more than three times.

Dieselization shows in 34% increase in diesel fuel consumed by urban and interurban transit lines latest month compared same month year ago. This all road traffic, not railways. Total consumption now about 400,000 gal. a month, with main increases in Quebec and Ontario.

Department store sales up 12.5% third week of March, from corresponding week last year. Gains all regions: Saskatchewan, 29%; Quebec, 23.5%; Alberta, 17%; Manitoba, 11%; B. C., 10%; Ontario, 6.5%; Maritimes, 2%.

Labor requirements strong in skilled metal working trades and for most professional and clerical workers, latest labor force survey shows. As of about a month ago, 179,000 were unemployed.

Steel ingot daily average production this year to latest is 11% ahead of same period last year.

Electric energy generated all-time high latest month, 7% above year ago.

Margarine makers using more soybean oil, less cottonseed and coconut oil so far this year. More than half oils used is now from soy beans.

Domestic beer sales in February down 2% from same month last year. (Dominion Brewers Association.)

Major Weekly Indicators

	Latest Week	Week Ago	Month Ago	Year Ago
Department store sales (% ch. from year earlier	12.5	+2	+4	+7
Carloadings, total (cars)	76,035	73,761	71,108	77,104
Eastern Canada (cars)	50,186	48,176	46,271	50,720
Western Canada (cars)	25,849	25,585	24,837	26,384
Iron and steel products (cars)	1,963	1,634	1,513	2,113
Ores, concentrates (cars)	2,455	2,375	2,404	2,227
Base Metals	738	647	645	569
Lumber, timber, plywood ... (cars)	4,026	3,928	3,688	3,904
Cement	1,110	1,013	689	—
Motor veh. production (No.)	10,369	10,122	9,881	8,648
Bank of Canada holdings of securities ($ millions)	2,176	2,197	2,206	2,078
Short term governments ($ millions)	1,347	1,368	1,375	1,185
Long term governments ($ millions)	815	814	818	882
Other securities ($ millions)	14	14	14	12
Canadian Dollar (U. S. cents. average)	101.930	101.542	101.865	101.433
T.S.E. Industrials index	315.85	320.33	321.16	330.77
Bank Clearings				
Montreal ($ millions)	374	425	385	365
Toronto ($ millions)	541	532	466	410

Facts by the Month

	Latest Month	Month Ago	Two Mos. Ago	Year Ago
WHAT WE PRODUCE—				
In all industries (Index)	235.3	247.8	248.0	211.6
—In factories (Index)	219.1	263.1	260.2	223.5
Total nondurable goods (Index)	212.9	232.2	228.1	197.9
Food & bev. (Index)	212.5	241.1	241.1	195.3
Textiles (Index)	194.9	206.9	212.8	191.8
Clothing (Index)	169.5	171.9	173.4	128.0
Chemical products (Index)	261.9	275.1	272.9	262.1
Total durable goods (Index)	315.7	311.5	310.4	263.5
Iron & steel products (Index)	296.9	302.2	298.8	279.2
Primary iron & steel (Index)	310.9	310.1	315.6	293.9
From mines (Index)	170.2	184.5	198.7	151.9
Metals (Index)	118.2	119.2	119.5	112.5
Nonferrous smelting, refining (Index)	222.7	211.8	211.5	198.6
Gold (Index)	109.7	112.3	113.0	105.1
—From farms				
Hogs graded (000)	456	451	1,013	513
Cattle delivered (000)	114	126	162	79
Flour (Index)	145.2	186.5	182.0	143.6
—From sea				
E. Coast catch ($000)	2,196	3,384	1,455	1,551
W. Coast catch ($000)	178	155	1,021	1,628
—From forests				
▪Newsprint (000 tons)	439	474	463	458
Pulp (000 tons)	692	722	767	719
—In powerhouses				
▪Electricity (Index) (seasonally adjusted)	250.5	238.7	225.4	233.3
WHAT WE SELL—				
Retail sales ($ millions)	814	1,121	983	725
Dept. store sales ($ millions)	62	64	137	60
Country store ($ millions)	40	52	45	36
Wholesale sales (value Index)	308.9	340.9	362.6	310.2
Pass. car sales (units)	23,130	19,214	23,218	13,777
WHAT'S ON HAND—				
Mfrs. inventories (value) (Index)	186.7	183.6	184.2	192.7
Dept. store stock/sales ratio	2.9	1.7	2.1	3.3
SPENDING, SAVING POWER—				
Labor income ($ millions)	958	960	951	865
▪Dividend payments (Index) (annual rate)	241.1	241.1	234.7	247.5
JOBS—				
Employment (Index)	187.1	192.2	192.3	181.0
Mfg. employment (Index)	196.1	199.6	199.8	183.6
BUILDING—				
▪Contract awards ($ millions)	149	85	99	102
▪Housing starts (units)	3,573	3,733	7,664	1,705
FOREIGN TRADE—				
Exports ($ millions)	321	394	392	329
Imports ($ millions)	329	345	363	307
MONEY—				
Money supply ($ millions)	5,136	5,129	5,143	4,843
Cheques cashed ($ millions)	11,722	12,386	11,329	9,734
Savings deposits ($ millions)	4,945	4,924	4,916	4,639
Current public loans ($ millions)	3,178	3,188	3,243	2,827
Life insurance sales ($ millions)	163	220	224	153
GOVERNMENT—				
Federal surplus (cumulative) ($ millions)	264	292	288	631
PRICES—				
Consumer price index	115.5	115.7	115.8	117.6

Index bases: production, wholesale sales, 1935-39=100; employment, payrolls, 1939=100; manufacturers inventories, 1947 average=100; consumer price index, 1949=100.

DEFENSE-IMPORTANT MATERIALS—Production and Supply—

	Latest Month	Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	347	317	349	+9
Net imports, primary shapes (000 tons)	114	156	1,452	—2
▪Primary copper (000 tons)	23.8	22.5	23.8	+6
▪Nickel (000 tons)	12.5	11.8	12.5	+6
Cement (000 bbl.)	1,484	1,353	18,425	+8
▪Lumber (million fbm)	485	418	485	+16
Exports (million fbm)	235	259	3,329	...

▪New item this week.

Date for your file: The Financial Post, April 4, 1953.

Accent on 'Heat Compactness' At First National Heat Show

Canada's first National Heat Show — "the largest North American exhibition of oil burning equipment under one roof" — held at the Toronto CNE grounds this week, represented the first effort of the industry to present dealers and architects with a coast-to-coast show-case. Nearly 100 firms from all parts of Canada used 45,000 sq. ft. of booth-space to display their wares. More than 2,500 dealers, contractors and architects came to look and buy.

Almost every type of domestic and semi-commercial oil burner was represented in the show, as well as auxiliary equipment of all kinds. Here are some of the display highlights:

A tiny oil burner, working on a new "vaporizing" principle, small enough to fit into a one-foot cube, capable of heating a six-room house. A washing machine-size unit that can become part of the kitchen, yet will supply large quantities of hot water.

New kinds of warm air furnaces that also act as air conditioners, rotary-type industrial heaters, improved conversion burners, and units for combined oil and gas heating.

A Good Assist

In hockey, the shot that sets it up is just as vital as the shot that nets the puck. A good assist adds to the score of our tourist industry, too. Whether Muskoka Lakes or Pelee Park is their goal, the assists we give our U.S. visitors enroute, net added prosperity for Ontario business. Give them the memories that will bring them back. John Labatt Limited.

Labatt's
BREWERS SINCE 1832

This Easter —help others to strike a cheerful, gay costume note by presenting Perrin gloves—so expressive of French genius in styling and workmanship.

PERRIN GLOVES
MADE FOR BOTH LADIES AND GENTLEMEN
TRADE MARK REG'D
FAMOUS THE WORLD OVER SINCE 1860

Investment Trusts

	Divd. pd.▴ cents	Bid $	Ask $
Affiliated Funds	......	5.11	5.53
Balanced Funds	‡3(50)	4.08	4.48
CanaFund	.60(1.10)	24.45	25.55
Can Invest Fund	7(28)	6.33	6.94
Com'wealth Int.	7(25)	5.18	5.69
Corporate Inv.	7(26)	5.73	6.23
Div'sified Inc. shs. B	.05(05)	2.60	2.80
Grouped Inc.	4.5(7)	4.85	5.29
Intl. American	......	10.70	11.76
Investors Mut.	7(23.5)	6.55	7.08
Leverage Fund	9(17)	3.77	4.14
Mut. Accum. F.	(71.95)	14.67	15.75
Mutual Income	4.15(12.29)	3.49	3.79
Resources of C.	7(21)	5.65	6.21
Timed Invest.	.05(20)	†4.50	*4.50
Trans-Can. A	(87.8)	19.20	...
Do. B	36.6(96.4)	19.20	...
Do. C	7.8(20)	3.95	4.25

†Less or (*) plus stock exchange commission.
▴Paid or payable in 1953; total paid in 1952 in brackets.

Unlisted Mines

(Compiled from quotations by G. E. Leslie & Co., Montreal)
March 30, 1953

Stock	Bid	Offer	Stock	Bid	Offer
Aconic	144	147	Lorrie N.	13	16
Anthonian	41	43	Montgom'y	15	18
Adelmont	5	7	Normiska	off.	40
Adnor	17	20	Pascar	30	35
Belmont	20	25	Prov. Asb.	40	43
Barmont	off.	15	Persh. Man.	7	10
Belpat	49	51	Que'que	off.	35
Chibmac	1½	3	Roymont	9	11
Christie	off.	35*	Sig. O.&M.	70	75
Flomic C.	5	10	Sth. Bach.	40	44
Giant C.	off.	10	Sth. Chib.	off.	17
Intl. Asb.	62	67	Titanium	22	24
Juno	55	60	Tomiska	5	10
Kenmac	17	20	Troysco	off.	35
Wm. Leys	29	30			

May Move Planned Hotel In Toronto

A deal between purchasers of a University Ave. site and sponsors of a hotel originally planned for Bay St. and Fleet St. was being negotiated at midweek.

Possibility is erection of the hotel on the University Ave. site, a small block on the southwest corner of University and Queen St. Principals of neither group have been disclosed. Owners of the University Ave. site are represented by Toronto realtor Morris H. Lipton. Spokesman for the other group, stated to have a contract whereby the Hilton hotel organization would manage their proposed Bay St. hotel, has been law student Roger W. Morris.

A very tall building would be required on the University Ave. site, because of its limited size. The original Hilton-managed hotel was to have up to 1,000 rooms. It might not be so big on the new site, and rental office space, planned for the Bay St. site, would not be included.

New Glove Factory For Newfoundland

Special Correspondence

ST. JOHN'S — Premier Smallwood announces a $500,000 government loan to a German company to establish a glove factory at Carbonear, about 72 miles from here. The German company will put up $200,000. Employment for 150 and production of 114,000 pairs of gloves annually is planned.

This is a departure from the previous government practice where the various European companies being introduced into Newfoundland were loaned 50% of the capital cost of the factory by the Provincial Government.

Carbonear is the site of the leather tannery which was introduced two years ago and which is now in production. The tannery will supply leather to the glove makers.

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THE RECORDS THAT PROTECT YOU

Dominion Fire Proof Safes offer you a form of protection, as essential as your other fire insurance. Write today for complete information on many models available.

DOMINION
SAFE AND VAULT COMPANY
LIMITED
NIAGARA FALLS, CANADA

U. S. $ Value in Canada

Daily as Reported at Noon By The Bank of Canada
Week Ended Mar. 27, 1953

Mon.	.98 3/32	Thurs.	.98 6/32
Tues.	.97 30/32	Fri.	.98 7/32
Wed.	.98 3/32	Ave.	.98 17/160

Automobile and General Casualty Insurance
Lumbermens
MUTUAL CASUALTY COMPANY
Agency Inquiries Invited
SERVICE SAVING SECURITY
Fire and Allied Lines Written in Associated Companies
THE SAFETY-MINDED COMPANY

THE BOWATER ORGANISATION

AT THE ANNUAL GENERAL MEETING of The Bowater Paper Corporation held in London on March 18th the Chairman, Sir Eric Vansittart Bowater, reviewed the affairs of the Bowater Organisation.

The consolidated net earnings after depreciation at £4,974,150 were achieved during an unusually difficult trading year and one that posed many awkward problems and was at times beset with considerable anxiety. A substantial part of the higher level of profits in the previous year had been directly attributable to the inflationary period through which we were then passing and the results achieved in the year now under review perhaps represent a more realistic level of earnings than those for the previous year.

The profits for the year were arrived at after taking into account the diminution in the value of stocks of raw materials and finished goods resulting from the severe recession of 1952 which markedly affected the United Kingdom subsidiaries' operations.

The amount by which it was found necessary to write down stocks at 30th September was of the order of £2 million, virtually the whole of which was absorbed without resort to the reserves previously created for that purpose. Nonetheless the total stocks held by the Organisation as a whole had increased by £3 million, rather more than two-thirds of which was attributable to stocks held by overseas subsidiaries, the balance being mainly in the stocks of pulpwood held in the United Kingdom which at the end of the previous year had been at an unusually low level.

The great project of our principal American company, Bowaters Southern Paper Corporation, for the erection of mills in Tennessee is making good and satisfactory progress and it is hoped that the plant will be fully equipped and come into operation in May 1954. The programme of development of and improvement to properties in both Canada and the United Kingdom designed still further to increase productive capacity, improve efficiency and reduce costs also progresses satisfactorily, whilst the capacity of the more modern of our two Swedish pulp mills is in the process of being substantially increased.

The Bowater Corporation of North America has been formed in Montreal and now acts as a holding company for all the interests of the Bowater Organisation in North America, the whole of its issued Common Stock being in turn owned by the parent Corporation. The primary reason for setting up this new company was that with the growth and development of our business in North America our interests there had reached the point at which it had become desirable to provide centralised administrative arrangements for that continent, similar to those by which the parent Corporation administers the affairs of the Organisation in the United Kingdom and elsewhere.

In conclusion, Sir Eric said he regarded the future with restrained optimism for it is his belief that the Organisation will enjoy a steady demand for its products in the U.K. and export markets, whilst the production of our Canadian mills, and of our American mills when they come into operation, is already fully sold for many years to come.

The Bowater Paper Corporation Ltd and Subsidiary Companies

Summary of Profits for the year ended 30th September 1952

1951 £			£	£	
8,564,729		PROFITS after allowing for diminution in value of stocks and deducting depreciation and interest on Loan Capital of overseas subsidiaries but before charging taxation		4,974,150	
		DEALT WITH AS FOLLOWS:			
5,045,317	58.9%	Taxation (including overseas taxation)		3,017,114	60.7%
55,563	.6%	Interest on Loan Capital of the Corporation (net)		52,887	1.1%
		Profits transferred to and from Reserves or carried forward by			
244,303	34.0%	Parent Corporation	220,485		
2,671,166		Subsidiary companies	1,136,418		
		Dividends (net)		1,356,903	27.2%
158,057	1.9%	on Preference Capital of subsidiary companies		158,746	3.2%
106,823	1.3%	on Preference Capital of the Corporation		105,000	2.1%
283,500	3.3%	on Ordinary Capital of the Corporation		283,500	5.7%
£8,564,729				£4,974,150	

Summary of Net Assets as at 30th September 1952

1951 £		£	£
19,037,870	FIXED ASSETS including Investments, War Damage Claims and funds in hands of Trustees		23,363,270
28,673,605	CURRENT ASSETS	31,270,124	
12,355,839	*Less:* Current Liabilities and Provisions	17,345,683	
16,317,766			13,924,441
£35,355,636			£37,287,711
	REPRESENTED BY:		
11,533,561	Loan Capital		13,009,869
5,727,546	Preference Capital of subsidiary companies		5,730,123
5,500,000	Preference and Ordinary Capital of the Corporation		6,400,000
2,960,723	Capital Reserves		3,070,064
7,277,556	Revenue Reserves and undistributed Profits		8,530,395
2,356,250	Reserves for future Income Tax		547,260
£35,355,636			£37,287,711

NEW ISSUE

$3,000,000

Phillips Electrical Company (1953) Limited

(Incorporated under the laws of Canada.)

5½% Convertible Sinking Fund Debentures

To be dated April 1, 1953. To mature April 1, 1970.

Principal and half-yearly interest (April 1 and October 1) and premium, if any, payable in lawful money of Canada at par at any branch of the Company's bankers in Canada (far northern branches excepted). Coupon Debentures in denominations of $500 and $1,000 registrable as to principal only. Redeemable for other than sinking fund purposes at the option of the Company on and after April 1, 1956, and prior to maturity in whole at any time or in part from time to time on not less than thirty days' notice at 103 up to and including April 1, 1958, thereafter at 102 up to and including April 1, 1963, thereafter at 101 up to and including April 1, 1968 and thereafter at 100 to maturity; and redeemable for sinking fund purposes on not less than thirty days' notice at 101½ up to and including April 1, 1958, thereafter at 101 up to and including April 1, 1963, thereafter at 100½ up to and including April 1, 1968 and thereafter at 100 to maturity; together in each case with interest accrued to the date specified for redemption.

The Trust Indenture will provide for a sinking fund for the Debentures, into which the Company will be required to pay annually an amount sufficient to retire $125,000 principal amount of Debentures annually, commencing April 1, 1954. Any sinking fund payments may be made in whole or in part by the delivery to the Trustee of Debentures which shall be valued for the purpose at the principal amount thereof.

Conversion Privilege

Debentures will be convertible at any time up to the close of business on the day preceding maturity or the day preceding any day fixed for the redemption of Debentures, into shares without nominal or par value in the capital stock of the Company at the following rates per $100 principal amount of Debentures:

up to the close of business on March 31, 1958 into 6⅔ shares,
up to the close of business on March 31, 1963 into 5 shares and
up to the close of business on March 31, 1970 into 4 shares.

The Trust Indenture will contain provisions for the adjustment of the conversion rates in certain events.

Trustee: NATIONAL TRUST COMPANY, LIMITED

Capitalization

(Upon completion of the proposed financing)

	Authorized	To be Outstanding
5% First Mortgage Sinking Fund Bonds, Series A	(1)	$6,000,000
5½% Convertible Sinking Fund Debentures (this issue)	$3,000,000	$3,000,000
Shares without nominal or par value	750,000 shs.	300,000 shs.

(1) First Mortgage Bonds in excess of the $6,000,000 principal amount of 5% First Mortgage Sinking Fund Bonds, Series A, presently being issued, may be issued in one or more other series, subject to the restrictions to be contained in the Trust Deed.

We, as principals, offer these 5½% Convertible Sinking Fund Debentures, if, as and when issued and accepted by us, subject to prior sale or change in price and subject to the approval of all legal matters on our behalf by Messrs. Dixon, Claxton, Senecal, Turnbull, Mitchell & Stairs, Montreal, and on behalf of the Company by Messrs. Borden, Elliot, Kelley, Palmer & Sankey, Toronto.

PRICE: 100 and accrued interest

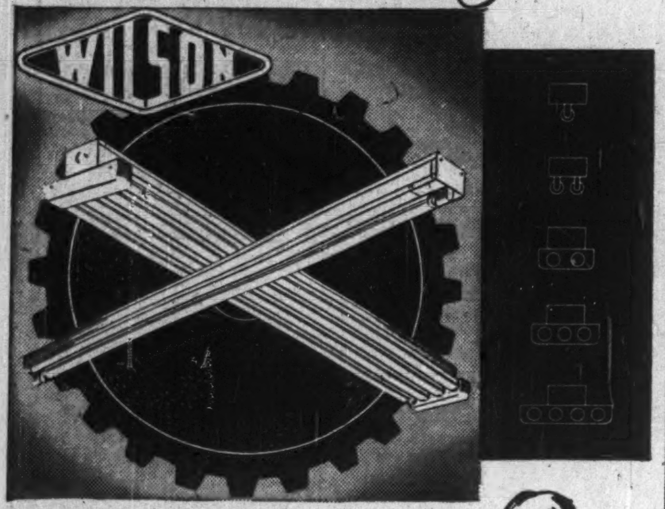
It is expected that Debentures in interim form will be available for delivery on or about April 15, 1953. We reserve the right to accept applications for these Debentures in whole or in part or to reject any application and to withdraw this offer at any time without notice.

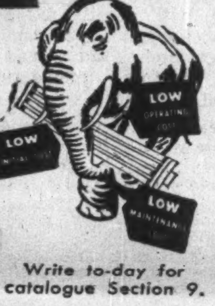
The Prospectus, a copy of which has been filed with the Secretary of State of Canada, will be promptly furnished upon request.

W. C. Pitfield & Company Limited
Wood, Gundy & Company Limited
Greenshields & Co Inc
René T. Leclerc Incorporée

Player's "MILD" ARE MILDER
Canada's Mildest Cigarette

NEW WALLS
AT SMALL COST
For over forty-five years we have studied, developed and scientifically applied wall renovating processes to suit every conceivable type of decorated surface, and have successfully served thousands of homes and institutions. Examine your walls now, make a note of those needing attention, then phone or write for further information and descriptive folder.
← Note before and after renovation.
INVESTIGATE BEFORE REDECORATING
WE RENOVATE BY SPECIAL PROCESSES
WALLPAPER . . . OF EVERY DESCRIPTION
PAINTED SURFACES . . . FLAT OR GLOSS
COTTONED CEILINGS . . . AND WALLS
BLENDED OR . . . TINTED SURFACES
ENAMELLED WALLS . . . AND WOODWORK
GLAZED OR . . . IVORY FINISHED WALLS
CHURCH . . . AND THEATRE DECORATIONS
STUCCO . . . AND CAENSTONE SURFACES
ACOUSTICAL SURFACES . . . ALL TYPES
LINCRUSTO . . . AND LEATHERETTE PAPERS
PAINTINGS MURALS ORNAMENTAL WORK
DECORATIONS OF EVERY DESCRIPTION
IN HOMES CHURCHES BUILDINGS
A. TEOLIS LIMITED
OFFICES & LABORATORIES, 4 COLLIER STREET, TORONTO. PHONE PRINCESS 1467

"JUMBO-STRIP" Slimline


GEARED TO FLEXIBILITY . . .
EFFICIENCY & EASE OF MAINTENANCE
JUMBO-STRIP—A Wilson precision engineered fluorescent Slimline fixture consisting of a super-rigid channel, heavy-duty sockets, no starters and sixteen combinations, including necessary accessories.


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"THE NAME IN CANADIAN LIGHTING!"
J. A. WILSON LIGHTING & DISPLAY LTD.
280 LAKESHORE ROAD, TORONTO 14, ONT. PHONE ROdney 4191

What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Glareless Color

Sun glass lens, being used in low-priced spectacles, is said to give effective protection from sun glare without falsifying the colors seen through it.

* * *

Cut Handling Costs

Clinch-lock pallets, employing new methods of construction, built to standards and inspected, are claimed to have 460% more holding power than conventional types, stay rigid and strong much longer and cut maintenance costs for user by one fifth.

* * *

Division of Labor

Self-suspending paper clip, of aluminum or tinned steel, allows user to see at a glance the different papers, or groups of papers, being filed and permits one of these to be removed without disturbing the others. Each clip is separate and hangs on the one above. Ideal for display of magazines, filing of patterns and specifications for easy reference in workshops, hanging of photographic plates, etc.

* * *

Left-Handed Sportsman

New, lightweight target rifle is manufactured to meet the requirements of left-handed operators.

* * *

For Blind Operator

Calculating machine has dials which are extra-large and marked in Braille. All figures, including the answer, can be checked by touch and results recorded on a Braille typewriter.

* * *

Dust Absorber

Chemical fluid offers new and improved method of dusting. When applied to mops or cloths, accumulated dust can be removed quickly. Harmless to furniture and floor finishes.

* * *

Off-The-Spot Washer

New cleaner enables operator to wash the outside of windows while remaining inside — no standing on window ledges. Combines safety factor with efficiency, since it's easier to see spots from within. Sponge washes and squeegee dries with easy switch-over. All parts replaceable and chamois can be clamped on for polishing. Also good for car washing.

* * *

Tubeless Truck Tires

Tires without tubes have been designed for trucks to facilitate tire-changing and reduce overall weight.

* * *

New Catalogues

Canadian Johns-Manville Co. Ltd., Toronto. 28-page brochure traces the development and describes the benefits of diatomite. The substance can be used as a filter powder for water purification; for dry cleaning; for the production of foods and beverages; as a mineral filler in the manufacture of paint, plastics, paper, fertilizers or insecticides; as a high-temperature insulator and as a catalyst wherever silica is indicated.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CRESSWELL ROLL FORMING CO. consolidated net profit and surplus of $33,264 for 1952 was 105.3% higher than 1951 net of $16,201.

Reduction of some $43,700 in working capital is due to extension to plant, reflected in advances to Wilmac Holdings Ltd., reports President E. G. Smith.

The year 1952 "brought into prominence the highly competitive nature of some of the business carried on," says Mr. Smith, "and every effort will continue to be made to meet increased competition by increased efficiency."

Canadian Steel Ceilings Ltd. is now in operation, and outlook for its product is encouraging, says the president.

During 1952, an agreement was made with Caldwell Manufacturing Co., Rochester, N.Y., for exclusive manufacture and distribution of Caldwell Spirex Balance and certain other products in Canada.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net earnings	$108,167	$82,761
Less: Deprec.	28,230	34,893
Note int.	11,792	14,323
Income tax	34,881	17,344
Net prof. & surp.	33,264	16,201
Times Note Interest Earned:		
Before deprec.	9.17	5.78
After deprec.	6.78	3.34
Earnings per Share and Dividend Record:		
Common	$0.33	$0.16
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$5,116	$9,500
Accts. rec.	362,964	415,485
Inventories	332,447	350,891
Total curr. assets	700,527	775,876
Def. chgs., etc.	18,328	15,834
Investments	78,737	31,362
Fixed assets*	293,259	316,140
Total assets	1,090,851	1,139,212
Bank advances	262,000	305,553
Accts., tax., etc., pay.	137,957	126,052
Total curr. liabs.	399,957	431,605
Funded debt	240,000	280,000
Capital stock	100,000	100,000
Capital surplus	128,492	138,468
Earned surplus	222,402	189,139
*After depr. of	228,390	218,167
Working capital	300,570	344,271

HYDRO-ELECTRIC SECURITIES CORP. net profit of $771,192 for 1952 was 1% less than 1951 net of $778,440.

Gross income was $1,019,819 ($1,066,744 in 1951). After deduction of taxes and bank charges at source, income for year was $865,056 ($870,752), of which 79% (80%) was received from dollar sources and the remainder from sterling and other sources.

Investments had a break-up value of $8.71 ($9.04) per common share at year end.

Portfolio at Dec. 31, 1952, was made up as follows:

British Commonwealth & U. S. Govt. bonds	8.30
Other bonds & debentures	2.02
Preference stocks	11.91
Equities	75.66
Belgian & French securities	2.11
	100.00

INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net profit	$771,192	$778,440
Less: Pref. divds.	317,385	321,465
Common divds.	442,918	369,098
Surplus for year	10,889	87,877
Earnings per Share and Dividend Record:		
Pf. Cl. B: Earned	$1.23	$1.22
Paid	0.50	0.50
Common: Earned	0.31	0.31
Paid	0.30	0.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1952	1951
Cash	$920,862	$1,114,070
Divds., etc., rec.	2,599	368
Accts. rec.	30,616	......
Investments▲	19,751,604	19,914,374
Fr. & Bel. sec.■	223,527	226,765
Total assets	20,929,208	21,256,177
Sundry creditors	12,405	11,605
Invest. res.	3,432,864	3,669,680
Capital stock	13,666,335	13,784,785
Capital reserve	765,963	749,356
Surplus	3,051,641	3,040,751
▲Market value	17,938,840	18,379,223
■After reserves of	223,527	226,765

SAGUENAY POWER CO. consolidated net profit of $1,128,247 for 1952 was 3.1% less than 1951 net of $1,164,357.

For the years 1946 to 1952 inclusive, education tax paid to Quebec was not allowable as a deduction for income tax purposes, with result that Dominion income taxes paid or payable by company have been increased by an aggregate amount of $1,176,419, including interest, after taking into account a provision of $175,132 included in 1952 accounts. An appeal is being taken to the Supreme Court against a decision of the Exchequer Court sustaining the interpretation of the Income Tax Act under which the disallowance was made.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1952	1951
Net income	$5,692,950	$5,069,534
Less: Deprec.	884,422	949,788
Bond & note int.	763,299	838,518
Amort. of contracts	600,000	......
Fin. disc. & exp.	182,430	182,430
Prem on bd. ret.	......	500
Inc. tax res.	2,134,552	1,933,941
Net profit	1,128,247	1,164,357
Less: Pref. divds.	171,368	179,164
Common divds.	420,000	630,000
Surplus for year	536,879	355,193
Times Interest Earned:		
Before deprec.	7.46	6.04
After deprec.	6.30	4.91
Earnings per Share and Dividend Record:		
Pref.: Earned	$28.23	$27.89
Paid	4.25	4.25
Com.: Earned	4.56	4.69
Paid	2.00	3.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1952	1951
Cash & invests.	$2,423,766	$2,075,431
Accts. rec. less res.	1,238,875	1,007,215
Bonds pur. for s.f.	158,000	......
Inventories	370,895	333,164
Total curr. assets	4,191,536	3,415,810
Misc. assets	102,876	68,432
Unamort. fin. exps.	2,581,705	2,764,135
Fixed assets*	53,292,507	54,207,141
Total assets	60,168,624	60,455,518
Accts., etc., pay.	1,125,062	897,634
Taxes pay.	1,630,177	1,536,578
Funded debt due	975,000	975,000
Total curr. liab.	3,730,239	3,409,212
Def. credit	5,856	......
Funded debt	24,375,000	25,350,000
Capital stock	24,996,700	25,174,700
Capital surplus	1,003,300	825,300
Earned surplus	6,057,529	5,696,306
*After depr. of	18,626,281	17,867,836
Working capital	461,297	6,598

CRANE CO., Chicago, consolidated net earnings of $9,872,823, or $3.96 per common share, for 1952 were 39.1% less than 1951 net of $16,202,529, or $6.64 per share.

Consolidated net sales for the year of $319,271,069 were slightly below 1951's record total of $322,920,334. Increased costs could not be passed on in increased prices because of government controls and competitive conditions, says President J. L. Holloway.

Company's net working capital at Dec. 31, 1952, was $118,301,071, an increase of $18,326,876 on the year, primarily attributable to sale of new securities during the year.

Capital expenditures amounted to $7,296,622, compared with $12,402,920 in 1951. Expenditures included substantial portion of estimated total cost of a new valve and fitting plant at Calgary. This plant, expected to be in operation early this year, is in the vicinity of oil fields and should result in important economies in distribution, says Mr. Holloway.

MAILMAN CORP. has cancelled an additional 70 5% cumulative redeemable sinking fund preferred shares for account redemption, reducing number of preferred shares outstanding to 14,441.

THERE'S MORE THAN SPECIFICATIONS IN A UBJ BRIEFCASE

Catalogues about mill supplies and specifications of new Machine Tools are the visible contents of a UBJ representative's briefcase . . . But he always carries something more with him — the instant availability of specialized advice by the machinery and production specialists on the U.B.J. staff. This professional help is available both to him and you, the customer, to ensure the selection of the right equipment to fill the job.
UBJ
UPTON BRADEEN and JAMES LIMITED
MONTREAL • TORONTO • WINNIPEG • VANCOUVER • MONCTON • OTTAWA
HAMILTON • WINDSOR
UBJ lines include: Machine Tools, Woodworking Machinery, Mill Supplies and Equipment for Materials Handling, Resistance Welding, Injection Moulding, Die Casting, Pumping and Railways and Contractors.

Announcing . . .

FOIRE DE PARIS
PARIS INTERNATIONAL TRADE FAIR
May 9 to 25, 1953
For free Admission Cards apply to the offices of the French Commercial Counsellor in Ottawa (464 Wilbrod) and Montreal (610 ouest rue St. Jacques), or of the Commercial Attache in Toronto (185 Bay Street).

★ FOR BUSINESS OR PLEASURE ★ OUR CARS INSURED
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KING AND BAY STS., HAMILTON—3-0922 ALSO WINNIPEG

why BAKELITE phenolics get the job!
TRADE MARK

Vinegar Bottle Tops:
Attractive appearance and ease of keeping clean, combined with resistance to the action of vinegar, were reasons for Dominion Glass Co. Ltd. in Montreal using Bakelite General Purpose Red TM-7620 for vinegar bottle tops moulded by Mack Moulding Limited for Armstrong Cork Canada Ltd., Montreal.
Jet Activators:
Used on the airfield to start jet aeroplane motors these activators have to withstand great mechanical strain. Moulded by Hale Bros. Ltd. for Electric Tamper and Equipment Company of Canada Limited from Bakelite High Impact Resistant Phenolic BM-926.
Toggle Switch Plates:
A toggle switch must be made of a material that cures fast to allow speedy production. It must have good impact resistance to stand up under constant use. Smith & Stone Limited produce the toggle switches faster with Bakelite General Purpose Phenolic TM-18752.
The wide variety of BAKELITE phenolics means that you can pick the right combination of properties to suit your particular purpose.
And with all BAKELITE Phenolics, you'll get t[illegible]us-factors of strength, beauty, economy, ease of production. Their [illegible]nce to chemicals and moisture, good electrical properties, long service life, and light weight are added features you can't afford to overlook.
Select the phenolic moulding material that's best for your application . . put it to work for your product. It means improved design, better performance, more saleability! Our Engineers will be glad to help you.
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